

GOODWIN PROCTER

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2005-05-03 P 05:53

U.S. District Court  
Boston, MA

May 3, 2005

**By Hand**

Clerk's Office  
United States District Court for  
the District of Massachusetts  
John Joseph Moakley U.S. Courthouse  
One Courthouse Way  
Boston, MA 02110

**Re: Lockwood v. Full Spectrum Lending, Inc., et al.**  
**(D. Mass. Civ. No. 05-10647-MLW)**

Dear Sir/Madam:

Enclosed for manual filing and docketing in the above-referenced matter, please find the documents listed in Appendix A to Defendants' Notice of Filing Certified Copies of State Court Proceedings filed electronically earlier today, a copy of which is submitted herewith.

Kindly acknowledge receipt of the foregoing by date-stamping the photocopy enclosed for that purpose and returning the same to my waiting messenger. Thank you for your assistance in this matter.

Very truly yours,



Francis G. Kelleher

Enclosures

cc: Brooks R. Brown, Esq., (w/o encl.)

Commonwealth of Massachusetts  
NORFOLK SUPERIOR COURT  
Case Summary  
Civil Docket

**NOCV2005-00310**  
**Lockwood v Full Spectrum Lending Inc et al**

<b>File Date</b>	02/22/2005	<b>Status</b>	Disposed: transfered to other court (dtrans)
<b>Status Date</b>	04/05/2005	<b>Session</b>	C - Civil C -CtRm 20
<b>Origin</b>	1	<b>Case Type</b>	A99 - Misc contract
<b>Lead Case</b>		<b>Track</b>	F

<b>Service</b>	05/23/2005	<b>Answer</b>	07/22/2005	<b>Rule12/19/20</b>	07/22/2005
<b>Rule 15</b>	07/22/2005	<b>Discovery</b>	12/19/2005	<b>Rule 56</b>	01/18/2006
<b>Final PTC</b>	02/17/2006	<b>Disposition</b>	04/18/2006	<b>Jury Trial</b>	No

**PARTIES**

**Plaintiff**  
Berin Lockwood  
Active 02/22/2005

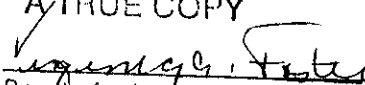
**Private Counsel 076560**  
Evans J Carter  
Hargraves Karb Wilcox & Galvani  
550 Cochituate Road  
PO Box 966  
Framingham, MA 01701-0966  
Phone: 508-620-0140  
Fax: 508-875-7728  
Active 02/22/2005 Notify

**Defendant**  
Full Spectrum Lending Inc  
Served: 03/02/2005  
Served (answr pending) 03/14/2005

**Private Counsel 634144**  
Brooks R Brown  
Goodwin Procter  
53 State Street  
Exchange Place  
Boston, MA 02109-2881  
Phone: 617-570-1000  
Fax: 617-523-1231  
Active 04/05/2005 Notify

**Defendant**  
Countrywide Home Loans Inc  
Served: 03/02/2005  
Served (answr pending) 03/14/2005

\*\*\* See Attorney Information Above \*\*\*

ATRUE COPY  
Attest:   
Deputy Assistant Clerk  
5/3/05

**ENTRIES**

Date	Paper	Text
02/22/2005	1.0	Complaint & jury claim filed \$285.00 entry fee paid
02/22/2005		Origin 1, Type A99, Track F.
02/22/2005	2.0	Civil action cover sheet filed
02/22/2005		fast track notice sent to plff's attorney
02/25/2005		ONE TRIAL review by Clerk, Case is to remain in the Superior Court
03/14/2005	3.0	SERVICE RETURNED: in hand to B. Montanez agent accepting for Full Spectrum Lending Inc(Defendant)-served March 2,2005
03/14/2005	4.0	SERVICE RETURNED: in hnd to B. Montanez agent accepting for Countrywide Home Loans Inc(Defendant)-served on March 2,2005
04/05/2005	5.0	Case REMOVED this date to US District Court of Massachusetts (rec'd

Commonwealth of Massachusetts  
NORFOLK SUPERIOR COURT  
Case Summary  
Civil Docket

05/03/2005  
02:22 PM

NOCV2005-00310  
Lockwood v Full Spectrum Lending Inc et al

Date	Paper	Text
	5.0	4/4/05)
EVENTS		

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, SS

SUPERIOR COURT DEPARTMENT  
OF THE TRIAL COURT  
CIVIL ACTION NO. ~~05~~ 00310

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,  
Plaintiff

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,  
Defendants

**COMPLAINT, JURY CLAIM AND  
REQUEST FOR CLASS CERTIFICATION**

**I. Introduction and Overview of Action**

1. Plaintiff brings this action on behalf of himself and on behalf of all others similarly situated, specifically, consumers who have or have had residential mortgage loans with either or both of the defendants. This complaint seeks rescission and restitution, multiple damages and attorney's fees pursuant to G.L. Chapter 93A, Section 9, and injunctive relief as the defendants have violated 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Services), 15 USC § 1601 et seq. (TILA), 12 CFR Part 26 (Regulation X), G.L. Chapter 140D (Mass. Consumer Credit Cost Disclosure), and G.L. Chapter 93, § 70 (Certification). The plaintiff is seeking in this complaint to certify a nationwide class action. Massachusetts has jurisdiction over this action as the defendants do business here and filed numerous complaints in the Trial Court. The Superior Court has exclusive jurisdiction because a request for a class action under G.L. Chapter 93A, Section 9 is being prayed for and the District Court Department has no jurisdiction.

**II. Parties**

2. The plaintiff, Berin Lockwood, resides at 14 Everett Street, Norfolk, Norfolk County, Massachusetts, and he formerly resided in Ontario, Canada.
3. The defendant, Full Spectrum Lending, Inc., is a corporation with its executive offices in Pasadena, California, and a Massachusetts office at 50 Braintree Hill Road, Braintree, Norfolk County, Massachusetts, and it is owned or is a subsidiary of Countrywide Financing Corporation.
4. The Defendant, Countrywide Home Loans, Inc., is a corporation with its offices in Sims Valley, California and it is owned by or is a subsidiary of Countrywide Financial Corporation. Both Full Spectrum Lending, Inc. and Countrywide Home Loans, Inc. are hereinafter referred to, collectively, as the "Lender."

5. The plaintiff was living in Canada with his wife and entered into an agreement to purchase a home on or about July 22, 2004 located at 14 Everett Street, Norfolk, Massachusetts, and he spoke with Harold Bean of the Lender in order to obtain mortgage financing.
6. Mr. Bean told the plaintiff that he could get a 5.25% mortgage loan in the principal amount of \$450,000 for him and that no rate lock-in agreement or documentation would be needed but later, Mr. Bean advised that the best he could do would be 6%.
7. No good faith estimate of the settlement charges were provided to the plaintiff, as required by law, nor was any loan commitment letter sent to the plaintiff.
8. At the real estate closing, which took place on or about August 27, 2004, a classic bait and switch practice was completed.
9. The mortgage loan product given to the plaintiff did not have a rate of interest at 6% fixed interest for 30 years but, rather, was a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The Truth-in-Lending Disclosure Statement at the closing stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
10. The plaintiff literally had no choice but to close as he had made firm arrangements to move and he would have lost his home deposit in an amount of \$53,000.
11. In addition, the settlement statement provided for improper and/or excess fees and unreasonable charges were collected, such as, but not limited to:
  - a. \$535 Processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners' title insurance that was not requested (line 1110);
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300, and both were collected; and
  - d. Tax services charge of \$79 (line 809) but the loan had no real estate tax escrow account and, in any event, should have refunded on some basis because it was not utilized.

A copy of the Settlement Statement is annexed hereto and marked as Exhibit A.

12. Neither at the closing nor to date, was a legal opinion, as required by G.L. Chapter 93, Section 70, provided to the plaintiff.
13. As soon as reasonably practicable, the plaintiff applied for a new mortgage loan, which he obtained, and he had the mortgage loan refinanced and the lender paid off by on or about November 29, 2004 so the mortgage loan to the Lender was only outstanding for three (3) months. A copy of the lender's payoff letter of November 17, 2004 is annexed hereto and

marked as Exhibit B.

14. On or about December 13, 2004, after the \$450,000 mortgage loan had been paid in full, the Lender sent a check for \$87.78 marked "escrow balance refund," but no real estate tax escrow or any other type of escrow account was disclosed to the plaintiff.
15. On or about December 17, 2004, the plaintiff caused a G.L. Chapter 93A demand letter to be sent to the Lender, a copy of which is annexed hereto and marked as Exhibit C.
16. By the above-stated actions, the plaintiff has incurred damages and costs as follows:

1. Needless costs, fees and expenses to:
  - i) The Lender ..... \$ 4,876.70
  - ii) Mortgage payments made ..... 12,126.92
  - iii) Attorney's fees and costs (to date) ..... 9,000.00

**Total** **\$16,003.62**

### **COUNT I**

#### ***(Breach of Contract)***

The plaintiff incorporates by reference and realleges paragraphs 1 through 16, inclusive, as if fully set forth herein.

17. By the above-stated actions, the Lender has breached the agreements with the plaintiff whereby the plaintiff has been, as well as the other class members, caused to incur substantial money damages.

### **COUNT II**

#### ***(Breach of Covenant of Good Faith and Fair Dealing)***

The plaintiff incorporates by reference and realleges paragraphs 1 through 17, inclusive, as if fully set forth herein.

18. The Lender owed to the plaintiff and the class members a covenant of good faith and fair dealing and by the above-stated actions, the Lender breached the same which caused damages to the plaintiff and the other class members.

**COUNT III**

**(Disgorgement of Wrongful Profits and for an Accounting)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 18 inclusive, as if fully set forth herein.

19. The Lender has engaged in unfair mortgage practices.
20. The Lender has collected monies that were not due and owing under applicable contract law because the contract or other applicable law does not permit them to collect such unreasonable fees and charges.
21. This claim is for disgorgement of the unjust enrichment to the Lender.
22. The plaintiff and the other class members have suffered monetary losses by virtue of the Lender's conduct and they request a full accounting of all revenues (and interest thereon) and costs incurred as well as the disgorgement of all profits earned from the said funds.

**COUNT IV**

**(Unfair Trade Practices, G.L. Chapter 93A)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 22 inclusive, as if fully set forth herein.

23. By the above-stated actions, the Lender has committed unfair trade practices in violation of General Laws, Chapter 93A, Section 9, as well as violating numerous rules and regulations and statutes.
24. The above-stated actions were done knowingly, willfully, intentionally and/or recklessly by the Lender.
25. The Lender conducts trade or commerce in Massachusetts so as to come within the purview of G.L. Chapter 93A.
26. On or about December 17, 2004, the plaintiff caused a so-called G.L. Chapter 93A demand letter to be served on the Lender (Exhibit C).
27. On or about December 23, 2004, January 10, 2005 and January 17, 2005, amendments to the demand letter were caused to be served on the Lender, a copy of each of which is annexed hereto and marked as Exhibit D, E and F respectively.

28. As a direct result of the Lender's unfair trade practices, as above-stated, the plaintiff and the other class members have incurred monetary damages plus interest, costs and reasonable attorney's fees.

## **COUNT V**

### **(Class Action Certification)**

The plaintiff incorporates by reference and reallege paragraphs 1 through 28 inclusive, as if fully set forth herein.

29. The plaintiff brings this action as a class action pursuant to Rule 23 of the Massachusetts Rules of Civil Procedure on behalf of all persons and entities who have or had mortgage loans owned or serviced by the Lender (collectively "Class" or "Class Members").
30. Based on conversations with some mortgage brokers, it is estimated that there are probably in excess of 5,000 Class Members in Massachusetts alone many more Class Members throughout the United States.
31. The plaintiff's claims are typical of the claims of the Members of the Class. The plaintiff and all members of the Class sustained damages as a result of the wrongful conduct for which the Lender is responsible as described in this complaint.
32. The plaintiff will fairly and adequately protect the interests of the Members of the Class and he has retained counsel competent and experienced in class action litigation.
33. A class action is superior to other available methods for the fair and effect adjudication of this controversy. The damages suffered by many individual Class Members are relatively small, albeit significant, and many, especially those who closed down, do not have the financial ability to proceed individually. Thus, the expense and burden of individual litigation makes it impractical for many Class members individually to seek redress for the wrongful conduct alleged in this action.
34. Common questions of law and fact exist as to all Members of the Class and predominate over any questions solely affecting individual Members of the Class. Among the questions of law and fact common to the Class are:
- a. Whether the Lender breached its obligations and duties owed with regard to home mortgage loan accounts;
  - b. Whether the Lender has breached state and federal statutes and regulations, such as 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Servicing), 15 USC §§ 7601, et seq., 12 CFR Part 26 (Regulation XI, G.L. Chapter 140D (MCCCD) and G.L. Chapter 93, Section 7D (Title Certification).



- c. Whether the Lender has committed unfair trade practices in Massachusetts and in other states which now all have so-called "baby F.T.C." unfair trade practices statutes;
  - d. Whether the Lender has unreasonably imposed and collected service charges for services that were not performed or only partially preformed; and
  - e. Whether the Lender wrongfully assesses and collects unilaterally imposed unfair or unreasonable fees and charges;
  - f. Whether the Lender fails to timely provide, after a qualified written request has been made of it, written responses that address each of the issues raised in said request.
35. The plaintiff knows of no difficulty which will be encountered in the management of this litigation which would preclude its maintenance as a Class Action.
36. Certifying this as a class action would resolve these issues for all potential plaintiffs without the necessity of filing individual lawsuits. Additionally, class certification in this matter would not impose any significant burden upon the Court.
37. In this case, the certification of the class is appropriate where the it would not complicate or delay disposition of the case and the Lender would suffer no prejudice as a result of certification and where certification would assure the class members that the Lender would not evade its responsibility in implementing any Court orders.
38. The names and addresses of all Class Members are available from the Lender and notice will be provided to Class Members via first-class mail, using techniques and a notice approved by this court.

#### **PRAYERS FOR RELIEF**


WHEREFORE, plaintiff, on his own behalf and on the behalf of others similarly situated (Class Members) prays for judgment as follows:

- 1. Declare this action to be a Class Action.
- 2. Award to the plaintiff and to all Class Members compensatory damages in an amount which may be proven at trial and actual and statutory damages, together with prejudgment interest at the maximum rate allowed by law.
- 3. Award to the plaintiff and to all Class Members treble damages as well as restitution based on unjust enrichment and disgorgement of funds unjustly obtained.
- 4. Award to the plaintiff his costs and expenses incurred in this action, including reasonable attorney, accountant and expert fees.

5. Award to plaintiff and to all Class Members such other and further relief as this court may deem meet, just and proper.

**THE PLAINTIFF CLAIMS A TRIAL BY JURY ON ALL ISSUES SO TRIABLE.**

BERIN LOCKWOOD, Plaintiff  
By his Attorney



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Evans J. Carter, Esq. (BBO # 076560)  
Hargraves, Karb, Wilcox & Galvani, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966  
(508) 620-0140

Dated: February 18, 2005

A TRUE COPY  
~~Evans J. Carter~~  
~~5/3/05~~



Settlement Statement Page 2

L. Settlement Charges				Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price	530,000.00	•	5.0000 % = 26,500.00		
Division of Commission (line 700) as follows:					
701. 15,900.00	to Re/Max Landmark				
702. 10,600.00	to Re/Max Executive				26,500.00
703. Commission paid at Settlement					
704.					
800. Items Payable in Connection With Loan					
801. Loan Origination Fee	%				
802. Loan Discount	%			75.00	
803. Appraisal Fee to Appraisals Unlimited				35.00	
804. Credit Report to LandSafe					
805. Lender's Inspection Fee					
806. Mortgage Insurance Application Fee					
807. Assumption Fee				25.00	
808. Flood Certification to Landsafe Flood				79.00	
809. Tax Service Fee to Countrywide Tax Service				535.00	
810. Processing Fee to Full Spectrum Lending					
811.					
812.					
813.					
814.					
815.					
900. Items Required By Lender To Be Paid In Advance				439.20	
901. Interest from	08/27/2004	to 08/31/2004	@ 87.84 /day		
902. Mortgage Insurance Premium for	mo. to				
903. Hazard Insurance Premium for	yrs. to				
904.	yrs. to				
1000. Reserves Deposited With Lender					
1001. Hazard Insurance	months @	per month			
1002. Mortgage Insurance	months @	per month			
1003. City property taxes	months @	484.44	per month		
1004.	months @	per month			
1005.	months @	per month			
1006.	months @	per month			
1007.	months @	per month			
1008. Aggregate Adjustment					
1100. Title Charges				695.00	
1101. Settlement or closing fee to	Gary F. Kinsella, Esquire			150.00	
1102. Abstract or title search to	Quirk Associates			75.00	
1103. Title examination to	Gary F. Kinsella, Esq.				
1104. Title insurance binder to					
1105. Document preparation to					
1106. Notary fees to					
1107. Attorney's fees to					
(includes above Item Numbers:				2,140.50	
1108. Title insurance to	First American Title Insurance Company				
(includes above Item Numbers:					
1109. Lender's coverage	450,000.00	Loan Premium: \$1,311.75			
1110. Owner's coverage	530,000.00	Owner's Premium: \$828.75		50.00	
1111. Rundown and Record to Quirk Associates					
1112.					
1113. Title Agent Commission \$1,498.35	70%				
1200. Government Recording and Transfer Charges				302.00	152.00
1201. Recording fees:	Deed 126.00	Mortgage 176.00	Releases 152.00		
1202. City/county tax stamps:	Deed	Mortgage		0.00	2,416.80
1203. State tax/stamps:	Deed 2,416.80	Mortgage		91.00	
1204. Obtain and Record MLC to Town of Norfolk/Norfolk Deeds					
1300. Additional Settlement Charges				150.00	
1301. Survey to	Northstar Co.				
1302. Pest inspection to				35.00	25.00
1303. Overnight Delivery Fees to FedEx					125.00
1304. Mortgage Discharge Fee to Gary F. Kinsella/ATG					125.00
1305. Drafting of Deed to Gary F. Kinsella, Esq.					
				\$4,876.70	\$29,343.80

1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement (pages 1 and 2).

Borrowers

Berin Lockwood  
Berin Lockwood

Sellers

James W. Sewell  
James W. Sewell

Carolyn A. Sewell  
Carolyn A. Sewell

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent

Gary F. Kinsella, Esquire  
Gary F. Kinsella, Esquire

Date 08/27/2004

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment.

**A Settlement Statement**U.S. Department of Housing  
And Urban Development

HUD-1 (3/86) OMB No. 2502-0265

**B Type of Loan**

☐ FHA    2. ☐ FmHA    3. ☒ CONV. UNINS.    6. File Number:    7. Loan Number:    8. Mortgage Ins. Case No.:  
☐ VA    5. ☐ CONV. INS.    68114669

**C. Note:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.d.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

**D. Name and Address of Borrowers:** Berin Lockwood  
125 Pugsley Avenue  
Apt. 516  
Richmond Hill

Ont.

**F. Name and Address of Lender:** Full Spectrum Lending

500 Edgewater Park, Suite 568  
Wakefield, MA 01880

**E. Name and Address of Sellers:** James W. Sewell  
14 Everett Street  
Norfolk

Carolyn A. Sewell  
MA 02056

**H. Settlement Agent:** Gary F. Kinsella  
22 Sumner Street  
Boston, MA 02125

**G. Property Location:** 14 Everett Street  
Norfolk MA 02056

**I. Settlement Date:** 08/27/2004

**Place of Settlement:** Gary F. Kinsella Atty. at Law  
22 Sumner Street Dorchester, MA 02125

**J. Summary of Borrower's Transaction****K. Summary of Seller's Transaction**

<b>100. Gross Amount Due From Borrower</b>		<b>400. Gross Amount Due To Seller</b>	
101. Contract sales price	530,000.00	401. Contract sales price	530,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	4,876.70	403.	
104. Appraisal Fee to Appraisals	300.00	404.	
105.		405.	
<b>Adjustments for items paid by seller in advance</b>		<b>Adjustments for items paid by seller in advance</b>	
106. City/town taxes 08/27/2004 to 09/30/2004	541.51	406. City/town taxes 08/27/2004 to 09/30/2004	541.51
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
<b>120. Gross Amount Due From Borrower</b>	<b>\$535,718.21</b>	<b>420. Gross Amount Due To Seller</b>	<b>\$530,541.51</b>
<b>200. Amounts Paid By Or In Behalf Of Borrower</b>		<b>500. Reductions In Amount Due To Seller</b>	
201. Deposit or earnest money	52,000.00	501. Excess deposit (see instructions)	25,500.00
202. Principal amount of new loan(s)	450,000.00	502. Settlement charges to seller (line 1400)	29,343.80
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff 1 Countrywide Home Loans	109,737.65
205.		505. Payoff 2	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
<b>Adjustments for items unpaid by seller</b>		<b>Adjustments for items unpaid by seller</b>	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. Total Paid By/For Borrower</b>	<b>\$502,000.00</b>	<b>520. Total Reductions Amount Due Seller</b>	<b>\$164,581.45</b>
<b>300. Cash At Settlement From/To Borrower</b>		<b>600. Cash At Settlement To/From Seller</b>	
301. Gross amount due from borrower (line 120)	\$535,718.21	601. Gross amount due to seller (line 420)	\$530,541.51
302. Less amount paid by/for borrower (line 220)	(\$502,000.00)	602. Less reductions in amount due seller (line 520)	(\$164,581.4)
<b>303. CASH <input checked="" type="checkbox"/> FROM <input type="checkbox"/> TO BORROWER:</b>	<b>\$33,718.21</b>	<b>603. CASH <input checked="" type="checkbox"/> TO <input type="checkbox"/> FROM SELLER:</b>	<b>\$365,960.06</b>

Buyer's Initials

B.L.

EXHIBIT

tabbier

A

Seller's Initials

J.F. Kinsella

L. Settlement Charges			Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price	530,000.00 @ 5.0000 % = 26,500.00			
Division of Commission (line 700) as follows:				
701. 15,900.00	to Re/Max Landmark			
702. 10,600.00	to Re/Max Executive			26,500.00
703. Commission paid at Settlement				
704.				
800. Items Payable in Connection With Loan				
801. Loan Origination Fee	%			
802. Loan Discount	%		75.00	
803. Appraisal Fee to Appraisals Unlimited			35.00	
804. Credit Report to LandSafe				
805. Lender's Inspection Fee				
806. Mortgage Insurance Application Fee				
807. Assumption Fee			25.00	
808. Flood Certification to Landsafe Flood			79.00	
809. Tax Service Fee to Countrywide Tax Service			535.00	
810. Processing Fee to Full Spectrum Lending				
811.				
812.				
813.				
814.				
815.				
900. Items Required By Lender To Be Paid In Advance			439.20	
901. Interest from	08/27/2004 to 08/31/2004 @ 87.84 /day			
902. Mortgage Insurance Premium for	mo. to			
903. Hazard Insurance Premium for	yrs. to			
904.	yrs. to			
1000. Reserves Deposited With Lender				
1001. Hazard Insurance	months @	per month		
1002. Mortgage Insurance	months @	per month		
1003. City property taxes	months @ 484.44	per month		
1004.	months @	per month		
1005.	months @	per month		
1006.	months @	per month		
1007.	months @	per month		
1008. Aggregate Adjustment				
1100. Title Charges			695.00	
1101. Settlement or closing fee to	Gary F. Kinsella, Esquire		150.00	
1102. Abstract or title search to	Quirk Associates		75.00	
1103. Title examination to	Gary F. Kinsella, Esq.			
1104. Title insurance binder to				
1105. Document preparation to				
1106. Notary fees to				
1107. Attorney's fees to				
(includes above item numbers: )			2,140.50	
1108. Title insurance to	First American Title Insurance Company			
(includes above item numbers: )				
1109. Lender's coverage	450,000.00 Loan Premium: \$1,311.75			
1110. Owner's coverage	530,000.00 Owner's Premium: \$828.75		50.00	
1111. Rundown and Record to Quirk Associates				
1112.				
1113. Title Agent Commission	\$1,498.35 70%			
1200. Government Recording and Transfer Charges			302.00	152.00
1201. Recording fees:	Deed 126.00 ; Mortgage 176.00 ; Releases 152.00			
1202. City/county tax stamps:	Deed ; Mortgage		0.00	2,416.80
1203. State tax/stamps:	Deed 2,416.80 ; Mortgage		91.00	
1204. Obtain and Record MLC to Town of Norfolk/Norfolk Deeds				
1300. Additional Settlement Charges			150.00	
1301. Survey to	Northstar Co.			
1302. Pest inspection to			35.00	25.00
1303. Overnight Delivery Fees to FedEx				125.00
1304. Mortgage Discharge Fee to Gary F. Kinsella/ATB				125.00
1305. Drafting of Deed to Gary F. Kinsella, Esq.				
			\$4,876.70	\$29,343.80

1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement (pages 1 and 2).

Borrowers

*Berlin Lockwood*  
Berlin Lockwood

Sellers

*James W. Sewell*  
James W. Sewell  
*Carolyn A. Sewell*  
Carolyn A. Sewell

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent

*Gary F. Kinsella*  
Gary F. Kinsella, Esquire

Date 08/27/2004

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment.

FIBERKRAFT, INC., BEDFORD, NH 800-258-1063

Exhibit B

**Countrywide Home Loans Servicing LP**

Payoff Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 1-800-669-6607  
 1-800-669-6607

**PAYOFF DEMAND STATEMENT**

Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

Chl Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-617-327-2745

Escrow #

**Property Address:**

Berin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114669-2  
 Case #

Principal Balance as of 11/01/2004  
 Interest from 11/01/2004 to 11/30/2004  
 \*Statement Fees  
 County Recording Fee

\$ 449,278.16  
 2,543.35  
 30.00  
 75.00

**Total Payoff Due on Loan No. 68114669 \$ 451,926.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7018	11/01/2004	11/30/2004	7.125 %

<sup>1</sup>Daily Interest Daily interest = Principal Balance x Interest Rate + 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES BEFORE NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or CASHED FUNDS ONLY. They MUST reference the Countrywide loan number, property address and owner's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check. Funds must be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berin Lockwood  
 Loan Number: 68114669-2

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

Call 1-800-669-6833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

**EXHIBIT**

B

531 DCF 1020 4W/2004

JAN-12-2005 14:08 From:

To: 508 875 7728

P.3/4



**Countrywide Home Loans Servicing LP**  
**Payoff Demand Statement Page 2**

**Account No.: 68114669-2**  
**Customer Name: Berin Lockwood**

Payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Potential collection charges that may be applied if your account is past due.
- Service charges for delinquent payments received after: 12/16/2004.

**IF COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor comuníquese con nuestro Departamento de Servicio al Cliente al 1-800-295-0026.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement (maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to cancel your electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is complete may result in excess funds being drafted from your financial account. These funds will be returned with any additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*

Exhibit C

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

December 17, 2004

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Gregory Allen Lumsden, President  
FULL SPECTRUM LENDING, INC.

35 N. Lake Avenue  
Pasadena, CA 91101

and

4500 Park Granada  
Calabasas, CA 91302

Branch Manager  
FULL SPECTRUM LENDING, INC.

50 Braintree Hill Avenue  
Braintree, MA 02184

Branch Manager

FULL SPECTRUM LENDING, INC.

500 Edgewater Drive, Suite 568  
Wakefield, MA 01880

President

COUNTRYWIDE HOME LOANS, INC.

P.O. Box 10423

Van Nuys, CA 91410-0423

and

400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Gentlemen/Ladies:

I have been retained by the above-named Berin Lockwood to review the above-stated mortgage loan documentation. I have opined that your respective companies have committed unfair trade practices in violation of M.G.L. Chapter 93A as well as violations of, among other laws:

- a. Federal Consumer Credit Cost Disclosure Act (TILA) 15 USC §§ 1601 et seq. And Regulation X (12 C.F.R., part 226);
- b. Massachusetts Consumer Credit Cost Disclosure, M.G.L. Chapter 140D;
- c. Federal Real Estate Settlement Procedures Act ("RESPA") 12 USC §§ 2601-17 and Regulation X (24 C.F.R. part 3500); and
- d. M.G.L. Chapter 93, Section 70 (Certification of Title to Mortgaged Premises).

**EXHIBIT**

tabler

C

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.

Countrywide Home Loans, Inc.

Page No. 2

December 17, 2004

To-wit:

1. No good faith estimate of settlement charges prior to the closing was provided to Mr. Lockwood, as required by law.
2. Mr. Lockwood was informed that Countrywide Home Loans, Inc., and not Full Spectrum Lending, Inc., was the lender as Full Spectrum Lending, Inc. is a sub-prime, predatory lender who was unknown to my client until the closing; a classic, outlawed bait and switch technique.
3. The rate of interest was to be 6% fixed interest for 30 years and not a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The TILA Disclosure Statement, at the closing, stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
4. Dave L. Droza of Countrywide Home Loans, Inc., prepared the mortgage loan documents for Full Spectrum Lending, Inc., which established Countrywide Home Loans, Inc., control of the closing, terms, etc.
5. The settlement statement shows that improper and/or excessive fees or charges were collected, such as, but not limited to:
  - a. \$535 processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners to be insured that was not requested (line 1110); and
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300 and both were collected.
6. The Affiliated Business Agreement Disclosure Statement fails to show the arrangement (true state of the ownership, control and drafting of documents) by Countrywide Home Loans, Inc.
7. No mortgage loan commitment letter was ever provided to the consumer/borrower.
8. No preliminary fees and obligations' schedule was ever provided to the consumer/borrower.
9. No legal opinion, as required by G.L. Chapter 93, Section 70, was provided to the consumer/borrower at the closing.
10. It appears that because the consumer/borrower was from Canada, he was treated unfairly by your companies and by Hal Bean and Mr. Costa, who refused, after being requested, to send documents, such as good faith estimate of settlement charges and interest terms, in advance of the closing.

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 3  
December 17, 2004

As a result of the above-stated facts, I had Mr. Lockwood obtain a new mortgage from Washington Mutual under the terms that Countrywide Home Loans, Inc., your companies agreed to but failed to deliver and this mortgage loan was paid in full on or about 11/25/04.

Based on your companies' actions, I must consider if this is your standard operating procedure and if a class action is warranted. Demand is herewith made that you send me, in or within 30 days, a schedule of all home mortgage loans in the past six (6) years where no good faith estimate (prior to closing) was sent to consumers/borrowers.

Demand is herewith made for your companies to pay the following damages, restitution, rescission and charges as your services were of little or no value to the consumer/borrower:

a.	All closing costs, fees and expenses	\$ 5,176.70
b.	Four mortgage payments made	12,126.92
c.	Reasonable attorney fees	<u>900.00</u>

<b>TOTAL</b>	<b><u>\$18,203.62</u></b>
--------------	---------------------------

Pursuant to M.G.L. Chapter 93A, each of your companies has 30 days to respond to this demand letter, in writing, and to resolve this matter. After that date, if this matter has not been resolved, my client has requested me to file a complaint with Norfolk Superior Court and to seek treble damages, reasonable attorney's fees, interest and costs and to seek class action certification if you fail to send me the schedule of borrowers to whom good faith estimates were not provided prior to closing.

Trusting that you understand our position, I remain

Very truly yours,



EVANS J. CARTER

EJC/aec

Exhibit D

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

December 23, 2004

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
AMENDED DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Dear Sir/Madam:

This letter shall amend the demand letter sent to you dated December 17, 2004.

1. A request for an itemized accounting of the above-stated loan is hereby demanded.
2. Enclosed is a copy of a check, dated 12/13/04 in an amount of \$87.78, sent to my client with no explanation except for "escrow balance refund." Query, was there any escrow established? If so, what was collected and when and how much was paid out and to whom was it paid to?

Awaiting your written timely reply, I remain

Very truly yours,

  
\_\_\_\_\_  
EVANS J. CARTER

EJC/aec  
Enclosure

**EXHIBIT**

tabler

D

Countrywide Home Loans Servicing LP  
 PO Box 5012  
 Woodland Hills CA 91365-5012

BERIN LOCKWOOD  
 14 EVERETT ST  
 NORFOLK MA 02056

ck no: 1178114  
 e: 12/13/2004  
 ck amount: 87.78  
 Treasury id: 27627349  
 Comp. No: 681  
 Agency No: 14669  
 Escrow type: 10  
 Escrow desc: A/C#068114669 ESCROW BAL REFUND  
 Page: 1  
 CFCBPOA  
 -ESR

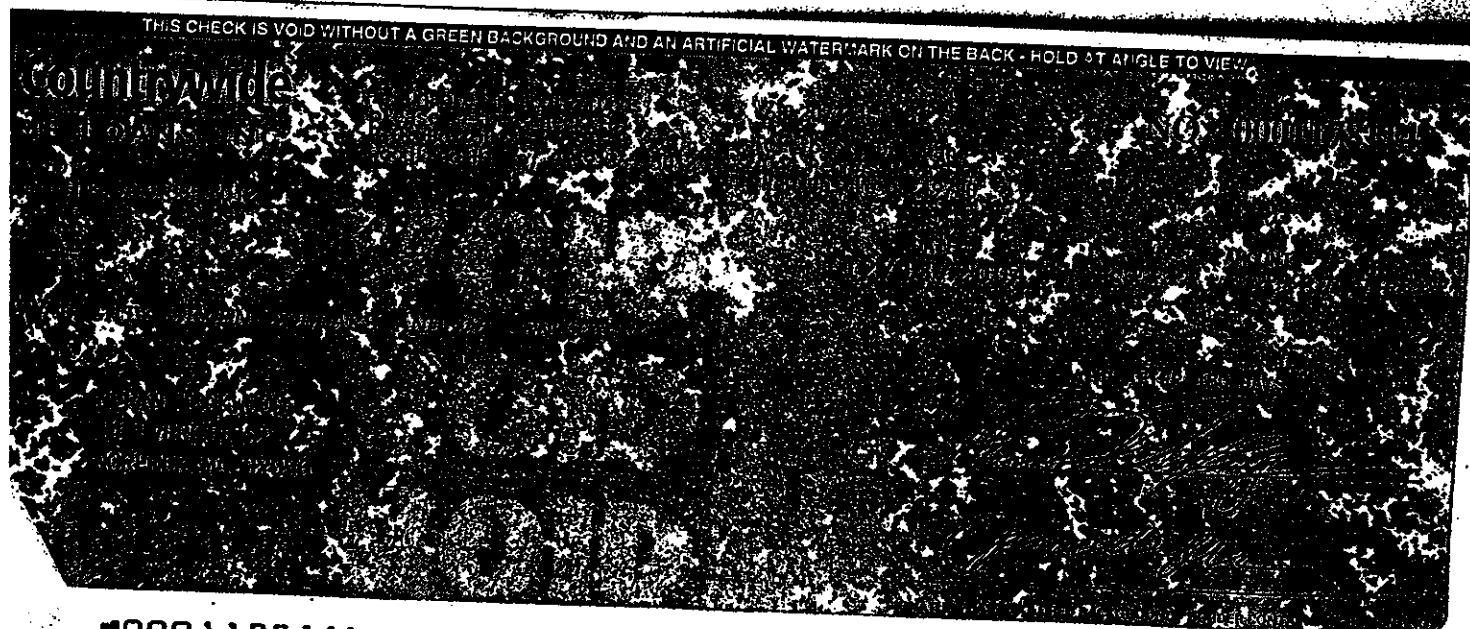
ck payee: BERIN LOCKWOOD

an no	Amount	Mortgagor	Reference
114669	87.78	BERIN LOCKWOOD	

TAL: 87.78

\*NUMBER OF ACCOUNTS: 1

THIS CHECK IS VOID WITHOUT A GREEN BACKGROUND AND AN ARTIFICIAL WATERMARK ON THE BACK - HOLD AT ANGLE TO VIEW



0001178114 031100209

38687899



Exhibit E

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

January 10, 2005

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Dear Marianna:

This amendment to the demand letter shall confirm that you told me, on January 4, 2005, that the check for \$87.78, dated December 13, 2004, was not for an "escrow balance refund" but, rather, was for reimbursement of the excess amount after the loan had been paid off and that you made no offers of settlement.

This concerns me because on the Settlement Sheet there was a charge, on line 809, collecting from my client \$79.00 for a "tax service fee to Countrywide Tax Service."

I remain

Very truly yours,

  
\_\_\_\_\_  
EVANS J. CARTER

EJC/aec

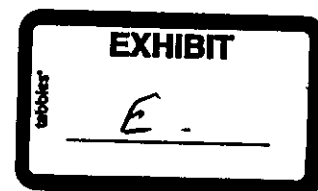


EXHIBIT F

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**  
Attorneys at Law

550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140  
Telefax (508) 875-7728

January 17, 2005

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Marianna:

Enclosed please find a copy of a 11/17/04 Payoff Demand Statement from Countrywide Home Loans Servicing LP.

Please send me:

1. A copy of the amortization schedule that your company used to determine said payoff amount and your worksheet;
2. Receipt of notice in advance to our client that \$30 would be charged as "statement fee" and worksheet as to the actual costs for sending a statement; and
3. Relationship between your company and Countrywide Home Loans Servicing LP and a schedule as to who the general and limited partners are.

Awaiting your response, I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec

**EXHIBIT**



**Countrywide Home Loans Servicing LP**

Payoff Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 800-669-6607  
 972-526-1115

**PAYOFF DEMAND STATEMENT**  
 Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

Chl Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-617-327-2745

Escrow #

**Property Address:**

Berin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

**Payoff Loan No.: 68114669-2**  
**Case #**

Principal Balance as of 11/01/2004  
 Interest from 11/01/2004 to 11/30/2004  
 \*Statement Fees  
 County Recording Fee

\$ 449,278.16  
 2,543.35  
 30.00  
 75.00

**Total Payoff Due on Loan No. 68114669****\$ 451,926.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7016	11/01/2004	11/30/2004	7.125 %

<sup>1</sup> Daily Interest Daily Interest = Principal Balance x Interest Rate + 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES BEFORE NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or CASH FUNDS ONLY. They MUST reference the Countrywide loan number, property address and borrower's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check and be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berin Lockwood  
 Loan Number: 68114669-2

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

For more information call 1-800-669-6833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

S3101 CF 1020 4442004

JUN-12-2005 14:08 From:

To: 508 875 7728

P.3/4

**Countrywide Home Loans Servicing LP**  
**Payoff Demand Statement Page 2**

**Account No.: 68114669-2**  
**Customer Name: Berin Lockwood**

The payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Potential collection charges that may be applied if your account is past due.
- Late charges for delinquent payments received after: 12/16/2004.

**COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor póngase en contacto con nuestro Departamento de Servicio al Cliente al 1-800-295-0026.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's written payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement (maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to have your electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is complete may result in excess funds being drafted from your financial account. These funds will be returned with any additional funds held in your account after the payoff is complete.

(TO PLAINTIFF'S ATTORNEY: PLEASE CIRCLE TYPE OF ACTION INVOLVED:-  
TORT - MOTOR VEHICLE TORT - CONTRACT -  
EQUITABLE RELIEF - OTHER.)

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

RECEIVED & FILED  
CLERK OF THE COURTS  
NORFOLK COUNTY

SUPERIOR COURT  
CIVIL ACTION

NO. 05 00310

BERIN LOCKWOOD, Individually and on  
behalf of Class Members  
....., Plaintiff(s)

v.

FULL SPECTRUM LENDING, INC., and  
COUNTRYWIDE HOME LOANS, INC.  
....., Defendant(s)

A TRUE COPY  
Attest: *[Signature]*  
Deputy Assistant Clerk  
5/3/05

SUMMONS

To the above-named Defendant: COUNTRYWIDE HOME LOANS, INC.

You are hereby summoned and required to serve upon Evans J. Carter, Esq.,  
P.O. Box 966  
plaintiff's attorney, whose address is Framingham, MA 01701-0966, an answer to the com-  
plaint which is herewith served upon you, within 20 days after service of this summons upon you,  
exclusive of the day of service. If you fail to do so, judgment by default will be taken against you  
for the relief demanded in the complaint. You are also required to file your answer to the com-  
plaint in the office of the Clerk of this court at Dedham either before service upon plaintiff's attorney  
or within a reasonable time thereafter.

Unless otherwise provided by Rule 13(a), your answer must state as a counterclaim  
any claim which you may have against the plaintiff which arises out of the transaction or occur-  
rence that is the subject matter of the plaintiff's claim or you will thereafter be barred from making  
such claim in any other action.

**BARBARA J. ROUSE, Esquire**

WITNESS, SUZANNE V. DELVECCHIO, Esquire, at Dedham, MA the 24th  
day of February, in the year of our Lord two thousand and five

*[Signature]* Clerk.

NOTES:

1. This summons is issued pursuant to Rule 4 of the Massachusetts Rules of Civil Procedure.
2. When more than one defendant is involved, the names of all defendants should appear in the caption.  
If a separate summons is used for each defendant, each should be addressed to the particular defendant.

(TO PLAINTIFF'S ATTORNEY: PLEASE CIRCLE TYPE OF ACTION INVOLVED:-  
TORT - MOTOR VEHICLE TORT - CONTRACT -  
EQUITABLE RELIEF - OTHER.) 36

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

RECEIVED & FILED  
CLERK OF THE COURTS  
NORFOLK COUNTY  
3/4/05

SUPERIOR COURT  
CIVIL ACTION

NO. 05 00310

BERIN LOCKWOOD, Individually and  
on behalf of Class Members ..... Plaintiff(s)

v.

FULL SPECTRUM LENDING, INC., and  
COUNTRYWIDE HOME LOANS, INC., Defendant(s)

A TRUE COPY

~~Attest: [Signature]~~  
~~Deputy Assistant Clerk~~

5/3/05

SUMMONS

To the above-named Defendant: FULL SPECTRUM LENDING, INC.

You are hereby summoned and required to serve upon Evans J. Carter, Esq.,  
01701-0966  
plaintiff's attorney, whose address is P.O. Box 966, Framingham, MA, an answer to the com-  
plaint which is herewith served upon you, within 20 days after service of this summons upon you,  
exclusive of the day of service. If you fail to do so, judgment by default will be taken against you  
for the relief demanded in the complaint. You are also required to file your answer to the com-  
plaint in the office of the Clerk of this court at Dedham either before service upon plaintiff's attorney  
or within a reasonable time thereafter.

Unless otherwise provided by Rule 13(a), your answer must state as a counterclaim  
any claim which you may have against the plaintiff which arises out of the transaction or occur-  
rence that is the subject matter of the plaintiff's claim or you will thereafter be barred from making  
such claim in any other action.

BARBARA J. ROUSE, Esquire

WITNESS, SUZANNE V. DELVECCHIO, Esquire, at Dedham, MA the 24th

day of February, in the year of our Lord two thousand and five

*Walter D. Denny* Clerk.

NOTES:

1. This summons is issued pursuant to Rule 4 of the Massachusetts Rules of Civil Procedure.
2. When more than one defendant is involved, the names of all defendants should appear in the caption.  
If a separate summons is used for each defendant, each should be addressed to the particular defendant.



**CIVIL ACTION  
COVER SHEET****05 00310****Superior Court Department****County: NORFOLK****PLAINTIFF(S)**BERIN LOCKWOOD, Individually and on Behalf  
of Others**DEFENDANT(S)**FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.**ATTORNEY, FIRM NAME, ADDRESS AND TELEPHONE**Evans J. Carter, Esq. (508) 620-0140  
P.O. Box 966  
Framingham, MA 01701-0966  
Board of Bar Overseers number: 076560**ATTORNEY (if known)****Origin code and track designation**

Place an x in one box only:

- ☒ 1. F01 Original Complaint
- ☐ 2. F02 Removal to Sup.Ct. C.231,s.104  
(Before trial) (F)
- ☐ 3. F03 Retransfer to Sup.Ct. C.231,s.102C (X)

- ☐ 4. F04 District Court Appeal C.231, s. 97 & 104 (After trial) (X)
- ☐ 5. F05 Reactivated after rescript; relief from judgment/Order (Mass.R.Civ.P. 60) (X)
- ☐ 6. E10 Summary Process Appeal (X)

**TYPE OF ACTION AND TRACK DESIGNATION (See reverse side)****CODE NO.****TYPE OF ACTION (specify)****TRACK****IS THIS A JURY CASE?**

A99

Breach of Contract

( F )

( X ) Yes

( ) No

The following is a full, itemized and detailed statement of the facts on which plaintiff relies to determine money damages. For this form, disregard double or treble damage claims; indicate single damages only.

**TORT CLAIMS**

(Attach additional sheets as necessary)

**A. Documented medical expenses to date:**

1. Total hospital expenses ..... \$ .....
2. Total Doctor expenses ..... \$ .....
3. Total chiropractic expenses ..... \$ .....
4. Total physical therapy expenses ..... \$ .....
5. Total other expenses (describe) ..... \$ .....

**Subtotal \$ .....****B. Documented lost wages and compensation to date** ..... \$ .....**C. Documented property damages to date** ..... \$ .....**D. Reasonably anticipated future medical and hospital expenses** ..... \$ .....**E. Reasonably anticipated lost wages** ..... \$ .....**F. Other documented items of damages (describe)** ..... \$ .....**G. Brief description of plaintiff's injury, including nature and extent of injury (describe)** ..... \$ .....**A TRUE COPY**

Attest:

Deputy Assistant Clerk

5/3/05

**TOTAL \$ .....****CONTRACT CLAIMS**

(Attach additional sheets as necessary)

Provide a detailed description of claim(s):

G.L. Chapter 93A, Sec. 9 class action where jurisdiction is solely in Superior Court.

**TOTAL \$ 18,203.62**

PLEASE IDENTIFY, BY CASE NUMBER, NAME AND COUNTY, ANY RELATED ACTION PENDING IN THE SUPERIOR COURT DEPARTMENT:

"I hereby certify that I have complied with the requirements of Rule 5 of the Supreme Judicial Court Uniform Rule Dispute Resolution (SJC Rule 1:18) requiring that I provide my clients with information about court-connected dispute resolution services and discuss with them the advantages and disadvantages of the various methods."

Signature of Attorney of Record

DATE: 2/18/05

5.0

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC.  
and COUNTRYWIDE HOME LOANS,  
LOANS, INC.

Defendants.

Civil Action No. 05-10647-MLW

**NOTICE OF REMOVAL TO  
ALL ADVERSE PARTIES**

4/4/05  
RECEIVED & FILED  
CLERK OF THE COURTS  
NORFOLK COUNTY  
4/5/05  
RECEIVED & FILED  
CLERK OF THE COURTS  
NORFOLK COUNTY

TO: Evans J. Carter, P.C.  
HARGRAVES, KARB, WILCOX  
& GALVANI, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

PLEASE TAKE NOTICE, that on April 1, 2005, defendants Full Spectrum Lending, Inc. (n/k/a Full Spectrum Lending, a division of Countrywide Home Loans, Inc.) and Countrywide Home Loans, Inc. filed a Notice of Removal of this action to the United States District Court for the District of Massachusetts. A true and correct copy of the Notice of Removal is annexed hereto.

This Notice is served upon you as counsel of record for plaintiff Berin Lockwood in compliance with 28 U.S.C. § 1446.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,



Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000

Brooks R. Brown (BBO# 634144)  
GOODWIN PROCTER LLP  
Exchange Place  
53 State Street  
Boston, MA 02109  
(617) 570-1000

Dated: April 4, 2005

LIBA/1522234.1

**CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the above document was served upon (each) party appearing pro se and the attorney of record for each other party by mail ~~(by hand)~~ on April 4, 2005.



**A TRUE COPY**

**Clerk:** Deputy Assistant Clerk

5/3/05

COPY

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

FILED  
CLERK'S OFFICE  
MAY -1 P 3:44

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC.  
and COUNTRYWIDE HOME LOANS  
LOANS, INC.,

Defendants.

Civil Action No.

05 10647 MLW

NOTICE OF REMOVAL

I hereby certify that the foregoing document is a true and correct copy of the

☐ electronic docket in the captioned case

☒ original filed in my office on 5/3/2005

Sarah A. Thompson

Clerk, U.S. District Court

District of Massachusetts

By:  
Deputy Clerk

Pursuant to 28 U.S.C. §§ 1331, 1332(a), 1332(d), and 1453, and Pub. L. 109-2, defendants Full Spectrum Inc. (n/k/a Full Spectrum Lending, a division of Countrywide Home Loans, Inc. ("Full Spectrum")) and Countrywide Home Loans, Inc. ("Countrywide") (collectively "Defendants") hereby remove the above-captioned action, now pending as Civil Action No. 05-00310 in the Superior Court for Norfolk County, Massachusetts, to this Court. As grounds for removal, Defendants state as follows:

**Background**

1. Plaintiff Berin Lockwood ("Plaintiff") filed this putative nationwide class action lawsuit on or about February 24, 2005, in the Superior Court for Norfolk County, Massachusetts (the "State Court Action"). The State Court Action was assigned Civil Action No. 05-00310.

2. In the State Court Action, Plaintiff alleges, on behalf of himself and a putative nationwide class consisting of all borrowers whose mortgage loans are or have been "owned or serviced" by Defendants, that Defendants violated (a) numerous federal laws, including 12 U.S.C. §§ 2601-17 and 15 U.S.C. § 1601 *et seq.*, and related federal regulations, (b) numerous

state laws, including G.L. c. 93A, § 9, and G.L. c. 140D, and (c) common law principles in how Defendants originated and serviced home mortgage loans. See generally Complaint (February 24, 2005) (“Complaint”) (a true and correct copy of which is included as part of Exhibit A hereto). Based upon these purported violations, Plaintiff “seeks rescission [of all putative class members’ loans], restitution, multiple damages, ... attorney’s fees[, and] ... injunctive relief,” as well as statutory and compensatory damages, disgorgement and other relief for himself and for each putative class member. Complaint, ¶ 1, Prayers for Relief ¶¶ 1-4. Plaintiff alleges that “there are probably 5,000 Class Members in Massachusetts alone [and] many more Class Members throughout the United States.” Complaint, ¶ 30.

### **Removability and Jurisdiction**

3. This Court has subject matter jurisdiction over this lawsuit pursuant to 28 U.S.C. § 1331 (federal question jurisdiction), the “Class Action Fairness Act of 2005,” Pub. L. 109-2, codified in relevant part at 28 U.S.C. §§ 1332(d) and 1453 (the “Act”), and 28 U.S.C. § 1332(a) (diversity jurisdiction).

### **Federal Question Jurisdiction**

4. This Court has jurisdiction over Plaintiff’s putative class action because it arises under the laws of the United States.

5. This case arises from the origination and the servicing of Plaintiff’s mortgage loan. The Complaint alleges that Defendants engaged in improper mortgage loan origination practices, including but not limited to, the failure to provide Plaintiff with a “good faith estimate” of loan settlement charges and a loan commitment letter, and the charging of improper and/or excessive loan fees. Complaint, ¶¶ 7-11. Plaintiff also alleges that Defendants failed respond to “qualified written requests” when servicing a loan. Complaint, ¶ 34(f).

6. Plaintiff states that he “seeks rescission and restitution ... and injunctive relief as the defendants violated” the Real Estate Settlement Procedures Act, 12 U.S.C. §§ 2601 *et seq.* (“RESPA”), the federal regulations under RESPA, 24 C.F.R. Part 3500, the Truth In Lending Act, 15 U.S.C. §§ 1601 *et seq.* (“TILA”), and the federal regulations under TILA, 12 C.F.R. Part 26. Complaint, ¶¶ 1, 34(b).

7. Plaintiff identifies as a legal question as to which he intends to pursue relief “[w]hether Lender fails to timely provide, after a qualified written report has been made of it, written responses that address each of the issues raised in said request.” Complaint, ¶ 34(f). In so doing, Plaintiff plainly is invoking the federal law requirement that loan servicers respond timely and appropriately to so-called “qualified written requests,” and can be sued in state or federal court in a class action for having failed to do so. 12 U.S.C. § 2605(f)(2); 24 C.F.R. Part 3500 *et seq.*

8. This Court possesses original jurisdiction in all cases arising under the laws of the United States. 28 U.S.C. § 1331. Plaintiff’s Complaint arises under the laws of the United States because RESPA and TILA (and their governing regulations) are laws of the United States and Plaintiff seeks recovery under those laws.

9. The Court has supplemental jurisdiction over Plaintiff’s claims under G.L. c. 93A and 140D as well as Plaintiff’s common law claims because they are so related to the federal claims that they form part of the same cause or controversy. 28 U.S.C. § 1367. Plaintiff’s claims do not raise novel or complex issues of state law and Plaintiff’s state law claims do not substantially predominate over his federal claims. See 28 U.S.C. § 1367(c).

**“Class Action Fairness Act” Jurisdiction**

10. This Court has original jurisdiction over Plaintiff’s putative class action under the “Class Action Fairness Act,” codified in relevant part at 28 U.S.C. §§ 1332(d) and 1453.

11. Pursuant to the Act, a putative “class action” commenced after February 18, 2005 — i.e., the effective date of the Act — may be removed to the appropriate United States District Court if (a) any member of the putative class is a citizen of a state different from any defendant, and (b) the amount in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs. 28 U.S.C. § 1332(d)(A).

12. This Court has jurisdiction over the State Court Action under 28 U.S.C. § 1332(d) because all of the requirements for such jurisdiction are met.

13. First, the Act is applicable to the State Court Action because the Action was commenced after the effective date of the Act. 28 U.S.C. § 1453 (“The amendments made by this Act shall apply to any civil action commenced on or after the date of enactment of this Act,” — i.e., February 18, 2005.).

14. Second, the State Court Action is a “class action” within the meaning of the Act because it is a “civil action filed under” Mass. R. Civ. P. 23 (see Complaint, ¶ 29) — i.e., Massachusetts’ analog to Fed. R. Civ. P. 23 and a “rule of judicial procedure authorizing an action to be brought by 1 or more representative persons as a class action.” 28 U.S.C. §§ 1332(d)(1)(B), 1453(a).

15. Third, one or more members of the putative class are citizens of states different from Countrywide. Full Spectrum is now a division of Countrywide, having merged into Countrywide in 2004. Countrywide is a New York corporation with its principal place of business in Calabasas, California. As such, Countrywide is deemed to be a citizen of New York

and/or California for purposes of 28 U.S.C. § 1332. By contrast, according to the allegations in the Complaint, Plaintiff is a citizen of Massachusetts and the putative class is alleged to include “5,000 [other] Class Members” from Massachusetts and “many more” from throughout the United States. Complaint, ¶¶ 2, 30. Thus, based upon Plaintiff’s own allegations, it is evident that Countrywide is a citizen of states different from at least one class member. The diversity of citizenship requirement of 28 U.S.C. § 1332(d)(2) and (d)(7) is thus met.

16. Fourth, the amount in controversy at issue in the State Court Action satisfies the Act’s requirement. Under 28 U.S.C. § 1332(d)(6), “[i]n any class action, the claims of the individual class members may be aggregated to determine whether the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs.” As set forth in the Complaint, Plaintiff seeks to recover damages for Defendants’ alleged improper mortgage origination and servicing practices. Complaint, ¶ 16. He also purports to bring this action on behalf of “all persons and entities who have or had mortgage loans owned or serviced by [Defendants],” and alleges that there are at least 5,000 Class Members whose damages are similar to his. Complaint, ¶¶ 29-31. In 2004, Full Spectrum and Countrywide collectively closed approximately 1,383,378 loans, and Defendants collectively serviced approximately 6,261,578 loans. For at least the following reasons, singularly and/or in combination, the allegations in the Complaint demonstrate that the amount in controversy exceeds \$5,000,000, exclusive of interest and costs:<sup>1</sup>

- (a) The Complaint alleges that Defendants charged Plaintiff excess loan fees and charges in the amount of \$1,827.75. See Complaint, ¶¶ 11, 20, 31. It further alleges

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<sup>1</sup> Defendants deny all liability against them and deny that Plaintiff and/or the putative class are entitled to or will recover in any amount. Defendants do not concede or admit that, if liability is found, it will exceed \$5,000,000. They instead provide the figures in this Notice to



that Plaintiff's claims are typical and representative of each class member, and each member "sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint." Complaint, ¶ 31. Plaintiff seeks, on behalf of himself and the putative class, disgorgement of the excess fees and charges and requests "a full accounting of all revenues (and interest thereon) and costs incurred." Id., ¶ 22. Disgorgement of \$1,827.75 in excess fees and charges for Plaintiff and the alleged 5,000 putative class members from Massachusetts alone would amount to a total disgorgement of \$9,138,750 in fees. Based on the number of mortgage loans closed by both Defendants nationwide last year, disgorgement of \$1,827.75 in excess fees and charges alleged by Plaintiff would amount to in excess of \$50 million in disgorgement of fees and charges for putative class members who closed their mortgage loans with either Defendant in 2004.<sup>2</sup>

(b) Even if a class member did not incur precisely \$1,827.75 in fees, the \$5,000,000 amount in controversy is still met based upon the allegations of improper fees. The charges alleged in the Complaint to be excessive or improper are common types of charges on mortgage loans originated by Defendants — for example, some appraisal fee and some tax service fee is charged on almost every loan — and the range of charges as alleged for those two fees is common (though Defendants deny charging duplicative or unnecessary fees). If, as alleged, then the class consists of at least 5,001 persons, the excess fees at issue would only need to average \$1,000 for the amount in controversy to be met. Using actual figures for persons who closed a loan with either

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demonstrate that the aggregate "amount in controversy," judged by the alleged (but unproven facts), meets the statutory threshold.

<sup>2</sup> See Note 1, supra.

Defendant during the last year, the average excess fees per class member would need only be approximately \$3.62 to satisfy the jurisdictional threshold. It is reasonably likely under the circumstances that the amount in controversy is met.<sup>3</sup>

(c) The Complaint alleges that Defendants breached Plaintiff's mortgage loan agreement, and that he incurred \$12,126.92 in damages, other than the loan fees, as a result of the alleged breaches. Complaint, ¶¶ 16-17. It further alleges that Plaintiff's claims are typical and representative of each class member, and each member "sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint." Complaint, ¶ 31. Plaintiff seeks, on behalf of himself and the putative class, damages for breach of contract. Complaint, ¶ 18. Breach of contract damages for Plaintiff and the alleged 5,000 putative class members would amount to an award of in excess of \$50 million if each class member sustained the same breach of contract damages as Plaintiff allegedly incurred. Based on the number of mortgage loans closed by both Defendants last year, the award for breach of contract damages for each class member who closed loans with either Defendant in 2004 and sustained \$12,126.92 in damages would also likely amount to in excess of \$50 million.<sup>4</sup>

(d) Even if a class member did not incur precisely \$12,126.92 in damages, the \$5,000,000 amount in controversy is still met based upon the allegation of breach of contract damages. If, as alleged, the class consists of at least 5,001 persons, the breach of contract damages at issue would only need to average \$1,000 for the amount in controversy to be met. Using actual figures for persons who closed a loan with either Defendant during the last year, the average breach of contract damages per class member

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<sup>3</sup> See Note 1, supra.

would only need to be approximately \$3.62 to satisfy the \$5,000,000 jurisdictional requirement of the Act.<sup>5</sup>

(e) The Complaint alleges that Defendants violated G.L. c. 93A, § 9 by willfully committing “unfair trade practices.” Complaint, ¶¶ 23-24. Plaintiff claims that he has incurred \$17,003 in damages and \$9,000 in attorney’s fees and costs as a result of Defendants’ alleged violation. Complaint, ¶¶ 11, 16. The Complaint asserts that Plaintiff’s claims are typical and representative of each class member, and each member “sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint.” Complaint, ¶ 31. In addition to the \$9,000 attorney’s fees and costs he has incurred to date, Plaintiff seeks, on behalf of himself and the putative class, treble damages. Complaint, Prayers for Relief ¶ 3. As a result, Plaintiff’s individual claim is for \$51,009, plus \$9,000 in attorneys’ fees. An award of \$51,000 under G.L. c. 93A, § 9 for Plaintiff and each of the alleged 5,000 putative class members would amount to more than \$50 million; additional attorney’s fees and costs would potentially be awardable. If the amount of attorneys fees and costs is, as alleged, \$9,000 per person, that sum would be approximately \$45 million. Based on the number of mortgage loans closed by both Defendants in Massachusetts last year (approximately 34,667), an award of relief as alleged by Plaintiff to all Massachusetts borrowers would likely amount to in excess of \$50 million. Even if a class member did not incur precisely the same alleged loss, the \$5,000,000 amount in controversy is still met. If, as alleged, the class consists of at least 5,001 persons, the Chapter 93A damages at issue would only need to average \$1,000 (or, \$333.33 in actual damages, trebled) for the amount in

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<sup>4</sup> See Note 1, supra.

controversy to be met. Using actual figures for persons who closed a loan with either Defendant in Massachusetts during the last year, each class member need only allege approximately \$144.23 in actual damages (or, approximately, \$48.08 in actual damages, trebled) to satisfy the jurisdictional requirement.<sup>6</sup>

(f) Plaintiff further alleges that Defendants engage in “bait and switch” transactions, where they allegedly increase the agreed-upon loan interest rate on the eve of loan closing, when Plaintiff and the putative class members have “no choice but to close.” Complaint, ¶¶ 8-10, 17-19, 23, 31, 34. In so doing, Plaintiff asserts, Defendants are able to collect additional loan interest, which Plaintiff seeks to recover in this lawsuit. Id. Though the Complaint is not specific in the amount of such alleged damages, Plaintiff alleges that this interest rate was increased by at least 1.125%, which would result in increased interest payments, over time, of more than \$5,000 per year and probably resulted for him personally in a loss of about \$1,250 (as he refinanced in three months). Complaint, ¶¶ 9, 13. The Complaint asserts that Plaintiff’s claims are typical and representative of each class member, and each member “sustained damages as a result of the wrongful conduct for which [Defendants] are responsible, as described in this complaint.” Complaint, ¶ 31. An award of \$5,000 to the 5001 alleged members of the putative class would exceed \$25 million; an award of \$1,250 to the 5001 alleged members would exceed \$6.25 million. Even if an alleged class member did not incur precisely the same amount of loss as alleged by Plaintiff, the \$5,000,000 amount in controversy is still met. If, as alleged, the class consists of at least 5001 persons, damages in increased interest charges would only need to average \$1,000 for the amount

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<sup>5</sup> See Note 1, supra.

in controversy to be met; it is reasonable to conclude that the class members' average alleged damages easily exceeds that amount, insofar as, for example, a 1% increase in loan interest on a \$100,000 mortgage loan exceeds \$1,000 in one (1) year.<sup>7</sup>

(g) The Complaint seeks rescission of Plaintiff's mortgage loan that he took out on or about August 27, 2004. Complaint, ¶¶ 1, 8. At origination, the amount of Plaintiff's loan was \$450,000. Complaint, ¶¶ 6, 14. The Complaint asserts that Plaintiff's claims are typical and representative of each class member, and each member "sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint." Complaint, ¶ 31. The Complaint further alleges that Plaintiff seeks, on behalf of himself and the putative class, rescission of their mortgage loans. Rescission of Plaintiff's and the alleged 5,000 putative class members' mortgage loans would put in excess of \$50 million in loans in controversy if each class member sought rescission of a loan the same value (\$450,000) as Plaintiff's mortgage loan. Based on the number of mortgage loans closed by Defendants last year, rescission of the mortgage loans of each class member who closed loans valued at \$450,000 with either Defendant in 2004 would also likely put the amount in controversy in excess of \$50 million.<sup>8</sup>

(h) Even if a class member did not take out a mortgage loan valued precisely at \$450,000, the \$5,000,000 amount in controversy is still met based upon the allegation of rescission. If, as alleged, the class consists of 5,001 persons, the class member's mortgage loan would only need to average \$1,000 for the amount in controversy to be

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<sup>6</sup> See Note 1, supra.

<sup>7</sup> See Note 1, supra.

<sup>8</sup> See Note 1, supra.

met. Using actual figures for persons who closed a loan with either Defendant during the last year, the average amount of a loan would only need to be approximately \$144.23 to satisfy the \$5,000,000 jurisdictional requirement of the Act.<sup>9</sup>

(i) As noted above, the Complaint asserts that the putative class consists of at least 5,001 members. Complaint, ¶ 30. Plaintiff claims that the putative class members incurred “substantial money damages” as a result of Defendants’ alleged improper mortgage originating and servicing practices. Based on the allegations in the Complaint, each class member need only have \$1,000 in alleged damages to satisfy the \$5,000,000 amount in controversy requirement under the Act.<sup>10</sup>

(j) Finally, as noted above, the Complaint includes vague and generalized allegations concerning purported improper loan servicing by Defendants. For example, Plaintiff alleges that this lawsuit concerns Defendants’ purported (a) improper charging and collection of “service” charges and fees, and (b) failure to respond timely to alleged “qualified written request[s]” seeking loan information. See, e.g., Complaint, ¶ 34. Based upon these (and other similar) allegations, Plaintiff seeks to represent a class consisting on all “persons and entities who have or had mortgage loans owned or serviced” by Defendants over an unspecified period of time. Complaint, ¶ 29. In 2004 alone, Defendants serviced over 6 million loans. Given this, and based upon the allegations in the Complaint, each class member need only have less than \$1.00 in alleged damages to satisfy the \$5,000,000 amount in controversy requirement under the Act.<sup>11</sup>

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<sup>9</sup> See Note 1, supra.

<sup>10</sup> See Note 1, supra.

<sup>11</sup> See Note 1, supra.

10. In light of Plaintiff's allegations that the putative class members, of which there are alleged to be at least 5,001, incurred "substantial money damages," including "actual and statutory damages," "treble damages," and "restitution based on unjust enrichment and disgorgement of funds unjustly obtained" as a result of Defendants' alleged improper mortgage origination and servicing practices, and based on the entirety of the Complaint as pled, it is reasonably likely that the aggregate amount in controversy exceeds \$5,000,000, exclusive of interest and costs.<sup>12</sup>

### **Diversity Jurisdiction (pre-CAFA standards)**

#### **Diversity of Citizenship**

17. Diversity of citizenship exists between the parties pursuant to 28 U.S.C. § 1332(a)(1), because the parties are citizens of different states.

18. Plaintiff is a citizen of Massachusetts, and has been since he filed the State Court Action. Plaintiff resides at 14 Everett Street, Norfolk, MA, and intends to stay at that residence. Complaint, ¶¶ 2 (alleging Plaintiff's residence), 30 (detailing Plaintiff's desire to represent Massachusetts residents, among other class members). Bank One, Texas, N.A. v. Montle, 964 F.2d 48, 49 (1st Cir. 1992).

19. Full Spectrum is now a division of Countrywide, and Countrywide is a citizen of New York and California. Thus, Defendants are citizens of New York and California for purposes of determining diversity jurisdiction. See 28 U.S.C. § 1332(c)(1) (defining corporate citizenship).

20. Neither Full Spectrum nor Countrywide is a citizen of Massachusetts, where the State Court Action was brought. See 28 U.S.C. § 1441(b).

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<sup>12</sup> Defendants reserve their right to state additional reasons why the jurisdictional threshold is met, and to offer additional evidence in support of such reasons and this Notice.

Amount in Controversy

21. The amount in controversy in this case, exclusive of interest and costs, exceeds \$75,000.

22. Whether the amount in controversy is met for the purposes of diversity jurisdiction depends on the claims of the named-plaintiff. Coventry Sewage Assocs. v. Dworkin Realty, Co., 71 F.3d 1, 6 (1st Cir. 1995). The allegations in the Complaint make it clear that Plaintiff's claims exceed \$75,000.

(a) Rescission. Plaintiff seeks rescission of his mortgage loan. Complaint, ¶ 1. Plaintiff alleges that the loan was taken out on or about August 27, 2004. Id., ¶ 8. At origination, the amount of the loan was \$450,000. Id., ¶ 6, 14. The amount of the loan at issue is considered part of the amount in controversy when rescission is requested. See, e.g., Rosen v. Chrysler Corp., 205 F.3d 918, 921 (6th Cir. 2000) (“[W]here a plaintiff seeks to rescind a contract, the contract’s entire value, without offset, is the amount in controversy.”) (citing Fifth, Seventh, and Ninth Circuit cases); Weddington v. Ford Motor Credit Co., 59 F. Supp. 2d 578, 584 (S.D. W. Va. 1999)

(b) Disgorgement. Plaintiff claims that Defendants “engaged in unfair mortgage practices” by collecting “monies that were not due and owing under applicable contract law because the contract or applicable law does not permit [Defendants] to collect such unreasonable fees and charges.” Complaint, ¶¶ 19-20. According to the Complaint, Plaintiff seeks, on behalf of himself and “other class members,” disgorgement of “all the profits earned from the said funds” and “a full accounting of all revenues (and interest thereon) and costs incurred.” Id., ¶ 21-22. The alleged disgorgement of the fees, if proven, would likely exceed \$75,000, and for purposes of removal are attributable to



the named plaintiff. In re Microsoft Corp. Antitrust Litig., 127 F. Supp. 2d 720-21 (D. Md. 2001) (attributing amount of demanded disgorgement to representative plaintiff because that party may “recover the entire unjust benefit obtained by the defendant” in addition to his individual damages).

(c) Equitable Relief. Plaintiff also seeks “injunctive relief” as a result of Defendants’ alleged violations of various federal and state statutes. Complaint, ¶ 1. For purposes of ascertaining the amount in controversy, the value of Plaintiff’s claims for equitable relief may be measured by Defendants’ costs of compliance. In re Microsoft Corp., 127 F. Supp. 2d at 718-19. The value of Plaintiff’s demand for injunctive relief would, if supported, exceed \$75,000 because it would require not only changes in Defendants’ procedures but also internal expenses and costs, and losses, the collective value of which would exceed that amount.

(d) Damages. Plaintiff claims that he has incurred \$17,003.62 in damages and costs as a result of Defendants’ alleged improper mortgage origination and servicing practices. Complaint, ¶ 16. He also seeks statutory damages under Chapter 93A in an amount equal to three times that amount (id., Prayers for Relief ¶ 3), and statutory damages under TILA of no more than \$1,000 but not less than \$100. Complaint, ¶ 1, Prayers for Relief ¶ 2.

(e) Attorneys’ Fees. Plaintiff seeks to recover attorneys’ fees awardable under Mass. G.L. c. 93A, § 9. Complaint, ¶¶ 1, 28. See G.L. c. 93A, § 9(3)(A) (entitling injured party to award of attorneys’ fees). The potential award of attorneys’ fees under G.L. c. 93A is included in the amount in controversy for diversity jurisdiction. Spielman v. Genzyme Corp., 251 F.3d 1, 7 (1st Cir. 2001) (recognizing that attorneys’ fees

awarded under G.L. c. 93A, §4 may be included in the amount in controversy determination). Plaintiff claims that amount is \$9,000. Complaint, ¶ 16.

#### Supplemental Jurisdiction

23. The individual claims of the absent members of the putative class exceed \$75,000, exclusive of interest and costs. The Complaint alleges that all damages and other awards sought for the named Plaintiff are also being sought on behalf of the putative class. Complaint, ¶¶ 1, 17-18, 22, 28, Prayers for Relief ¶¶ 1-4. Because the amounts requested by the named Plaintiff's claims satisfy the jurisdictional threshold, so too do the claims of the absent class members.

24. Alternatively, if the jurisdictional amount is not satisfied as to the absent putative class members, removal of this putative class action is proper because this Court may exercise supplemental jurisdiction over absent class members under 28 U.S.C. § 1367. See, e.g., Payne v. Good year Tire & Rubber Co., 229 F. Supp. 2d 43, 52 (D. Mass. 2002); Rosmer v. Pfizer, Inc., 263 F.3d 110 (4th Cir. 2001); Gibson v. Chrysler Corp., 261 F.3d 927 (9th Cir. 2001); Stromberg Metal Works Inc. v. Press Mech., Inc., 77 F.3d 928 (7th Cir. 1996); In re Abbott Labs., 51 F.3d 524 (5th Cir. 1995).

25. Based on the foregoing, this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331, 1332, and/or 28 U.S.C. § 1367.

#### Compliance with the Removal Statute and Local Rules

26. As set forth in 28 U.S.C. § 1453(b), “[a] class action may be removed to a district court of the United States in accordance with section 1446 . . . without regard to whether any defendant is a citizen of the State in which the action is brought, except that such action may be removed by any defendant without the consent of all defendants.” Accordingly, the State Court

Action may be removed without regard to whether any defendant is a citizen of Massachusetts (which they are not), and it may be removed without the consent of all defendants.

27. Attached hereto as Exhibit A is a copy of all process, pleadings, and orders served upon defendant Full Spectrum, namely the Summons and Complaint. See 28 U.S.C. § 1446(a).

28. Attached hereto as Exhibit B is a copy of all process, pleadings and orders served upon defendant Countrywide in the State Court Action, namely the Summons and Complaint. See 28 U.S.C. § 1446(a).

29. Full Spectrum received by service the Summons and Complaint on March 2, 2005, and Countrywide received by service the Summons and Complaint on March 2, 2005. Receipt of the summons and complaint by each defendant was the first notice of the State Court Action or federal jurisdiction received by each defendant. Defendants file this Notice of Removal with the United States District Court for the District of Massachusetts on April 1, 2005, within 30 days after receipt by Defendants of the State Court Action Summons and Complaint. See 28 U.S.C. § 1446(b).

30. Attached hereto as Exhibit C is a copy of the Notice of Removal to All Adverse Parties, which will be promptly served upon Plaintiffs' counsel and filed with the Clerk of the Superior Court for Norfolk County, Massachusetts. See 28 U.S.C. § 1446(d).

31. Defendants will also file with the Clerk of the Superior Court for Norfolk County, Massachusetts a Notice of Filing of Notice of Removal, pursuant to 28 U.S.C. § 1446(d). A copy of the Notice of Filing of Notice of Removal is attached hereto as Exhibit D.

32. This Notice of Removal is signed pursuant to Fed. R. Civ. P. 11. See 28 U.S.C. § 1446(a).

WHEREFORE, this action should proceed in the United States District Court for the District of Massachusetts, as an action properly removed thereto.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,



Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000

Brooks R. Brown (BBO# 634144)  
GOODWIN PROCTER LLP  
Exchange Place  
53 State Street  
Boston, MA 02109  
(617) 570-1000

Dated: April 1, 2005

CERTIFICATE OF SERVICE

I hereby certify that a true copy of  
the above document was served upon  
(each party appearing pro se and) the  
attorney of record for each other party  
by mail ~~(by hand)~~ on April 1, 2005





(TO PLAINTIFF'S ATTORNEY: PLEASE CIRCLE TYPE OF ACTION INVOLVED:-  
TORT - MOTOR VEHICLE TORT - CONTRACT -  
EQUITABLE RELIEF - OTHER.)

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

SUPERIOR COURT  
CIVIL ACTION

NO. 05 00310

BERN LOCKWOOD, Individually and  
on behalf of Glass Members ..... Plaintiff(s)

v.

FULL SPECTRUM LENDING, INC., and  
COUNTRYWIDE HOME LOANS, INC. .... Defendant(s)

SUMMONS

To the above-named Defendant: FULL SPECTRUM LENDING, INC.

You are hereby summoned and required to serve upon Evans J. Carter, Esq.,  
plaintiff's attorney, whose address is P.O. Box 966, Framingham, MA 01701-0966, an answer to the com-  
plaint which is herewith served upon you, within 20 days after service of this summons upon you,  
exclusive of the day of service. If you fail to do so, judgment by default will be taken against you  
for the relief demanded in the complaint. You are also required to file your answer to the com-  
plaint in the office of the Clerk of this court at Dedham either before service upon plaintiff's attorney  
or within a reasonable time thereafter.

Unless otherwise provided by Rule 13(a), your answer must state as a counterclaim  
any claim which you may have against the plaintiff which arises out of the transaction or occur-  
rence that is the subject matter of the plaintiff's claim or you will thereafter be barred from making  
such claim in any other action.

BARBARA J. ROUSE, Esquire

WITNESS, SUZANNE V. DEVECHIO, Esquire, at Dedham, MA the 24th

day of February in the year of our Lord two thousand and five

*Suzanne V. DeVechio* Clerk

NOTES:

1. This summons is issued pursuant to Rule 4 of the Massachusetts Rules of Civil Procedure.
2. When more than one defendant is involved, the names of all defendants should appear in the caption.  
If a separate summons is used for each defendant, each should be addressed to the particular defendant.

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, SS

SUPERIOR COURT DEPARTMENT  
OF THE TRIAL COURT  
CIVIL ACTION NO. 05- 310 C

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,  
Plaintiff

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,  
Defendants

**COMPLAINT, JURY CLAIM AND  
REQUEST FOR CLASS CERTIFICATION**

**I. Introduction and Overview of Action**

1. Plaintiff brings this action on behalf of himself and on behalf of all others similarly situated, specifically, consumers who have or have had residential mortgage loans with either or both of the defendants. This complaint seeks rescission and restitution, multiple damages and attorney's fees pursuant to G.L. Chapter 93A, Section 9, and injunctive relief as the defendants have violated 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Services), 15 USC § 160/et seq. (TILA), 12 CFR Part 26 (Regulation X), G.L. Chapter 140D (Mass. Consumer Credit Cost Disclosure), and G.L. Chapter 93, § 70 (Certification). The plaintiff is seeking in this complaint to certify a nationwide class action. Massachusetts has jurisdiction over this action as the defendants do business here and filed numerous complaints in the Trial Court. The Superior Court has exclusive jurisdiction because a request for a class action under G.L. Chapter 93A, Section 9 is being prayed for and the District Court Department has no jurisdiction.

**II. Parties**

2. The plaintiff, Berin Lockwood, resides at 14 Everett Street, Norfolk, Norfolk County, Massachusetts, and he formerly resided in Ontario, Canada.
3. The defendant, Full Spectrum Lending, Inc., is a corporation with its executive offices in Pasadena, California, and a Massachusetts office at 50 Braintree Hill Road, Braintree, Norfolk County, Massachusetts, and it is owned or is a subsidiary of Countrywide Financing Corporation.
4. The Defendant, Countrywide Home Loans, Inc., is a corporation with its offices in Sims Valley, California and it is owned by or is a subsidiary of Countrywide Financial Corporation. Both Full Spectrum Lending, Inc. and Countrywide Home Loans, Inc. are hereinafter referred to, collectively, as the "Lender."

5. The plaintiff was living in Canada with his wife and entered into an agreement to purchase a home on or about July 22, 2004 located at 14 Everett Street, Norfolk, Massachusetts, and he spoke with Harold Bean of the Lender in order to obtain mortgage financing.
6. Mr. Bean told the plaintiff that he could get a 5.25% mortgage loan in the principal amount of \$450,000 for him and that no rate lock-in agreement or documentation would be needed but later, Mr. Bean advised that the best he could do would be 6%.
7. No good faith estimate of the settlement charges were provided to the plaintiff, as required by law, nor was any loan commitment letter sent to the plaintiff.
8. At the real estate closing, which took place on or about August 27, 2004, a classic bait and switch practice was completed.
9. The mortgage loan product given to the plaintiff did not have a rate of interest at 6% fixed interest for 30 years but, rather, was a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The Truth-in-Lending Disclosure Statement at the closing stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
10. The plaintiff literally had no choice but to close as he had made firm arrangements to move and he would have lost his home deposit in an amount of \$53,000.
11. In addition, the settlement statement provided for improper and/or excess fees and unreasonable charges were collected, such as, but not limited to:
  - a. \$535 Processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners' title insurance that was not requested (line 1110);
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300, and both were collected; and
  - d. Tax services charge of \$79 (line 809) but the loan had no real estate tax escrow account and, in any event, should have refunded on some basis because it was not utilized.

A copy of the Settlement Statement is annexed hereto and marked as Exhibit A.

12. Neither at the closing nor to date, was a legal opinion, as required by G.L. Chapter 93, Section 70, provided to the plaintiff.
13. As soon as reasonably practicable, the plaintiff applied for a new mortgage loan, which he obtained, and he had the mortgage loan refinanced and the lender paid off by on or about November 29, 2004 so the mortgage loan to the Lender was only outstanding for three (3) months. A copy of the lender's payoff letter of November 17, 2004 is annexed hereto and



marked as Exhibit B.

14. On or about December 13, 2004, after the \$450,000 mortgage loan had been paid in full, the Lender sent a check for \$87.78 marked "escrow balance refund," but no real estate tax escrow or any other type of escrow account was disclosed to the plaintiff.
15. On or about December 17, 2004, the plaintiff caused a G.L. Chapter 93A demand letter to be sent to the Lender, a copy of which is annexed hereto and marked as Exhibit C.
16. By the above-stated actions, the plaintiff has incurred damages and costs as follows:

1. Needless costs, fees and expenses to:

- i) The Lender ..... \$ 4,876.70
- ii) Mortgage payments made ..... 12,126.92
- iii) Attorney's fees and costs (to date) ..... 9,000.00

Total \$16,003.62

### COUNT I

#### *(Breach of Contract)*

The plaintiff incorporates by reference and realleges paragraphs 1 through 16, inclusive, as if fully set forth herein.

17. By the above-stated actions, the Lender has breached the agreements with the plaintiff whereby the plaintiff has been, as well as the other class members, caused to incur substantial money damages.

### COUNT II

#### *(Breach of Covenant of Good Faith and Fair Dealing)*

The plaintiff incorporates by reference and realleges paragraphs 1 through 17, inclusive, as if fully set forth herein.

18. The Lender owed to the plaintiff and the class members a covenant of good faith and fair dealing and by the above-stated actions, the Lender breached the same which caused damages to the plaintiff and the other class members.

**COUNT III**

**(Disgorgement of Wrongful Profits and for an Accounting)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 18 inclusive, as if fully set forth herein.

19. The Lender has engaged in unfair mortgage practices.
20. The Lender has collected monies that were not due and owing under applicable contract law because the contract or other applicable law does not permit them to collect such unreasonable fees and charges.
21. This claim is for disgorgement of the unjust enrichment to the Lender.
22. The plaintiff and the other class members have suffered monetary losses by virtue of the Lender's conduct and they request a full accounting of all revenues (and interest thereon) and costs incurred as well as the disgorgement of all profits earned from the said funds.

**COUNT IV**

**(Unfair Trade Practices, G.L. Chapter 93A)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 22 inclusive, as if fully set forth herein.

23. By the above-stated actions, the Lender has committed unfair trade practices in violation of General Laws, Chapter 93A, Section 9, as well as violating numerous rules and regulations and statutes.
24. The above-stated actions were done knowingly, willfully, intentionally and/or recklessly by the Lender.
25. The Lender conducts trade or commerce in Massachusetts so as to come within the purview of G.L. Chapter 93A.
26. On or about December 17, 2004, the plaintiff caused a so-called G.L. Chapter 93A demand letter to be served on the Lender (Exhibit C).
27. On or about December 23, 2004, January 10, 2005 and January 17, 2005, amendments to the demand letter were caused to be served on the Lender, a copy of each of which is annexed hereto and marked as Exhibit D, E and F respectively.

28. As a direct result of the Lender's unfair trade practices, as above-stated, the plaintiff and the other class members have incurred monetary damages plus interest, costs and reasonable attorney's fees.

**COUNT V**

**(Class Action Certification)**

The plaintiff incorporates by reference and reallege paragraphs 1 through 28 inclusive, as if fully set forth herein.

29. The plaintiff brings this action as a class action pursuant to Rule 23 of the Massachusetts Rules of Civil Procedure on behalf of all persons and entities who have or had mortgage loans owned or serviced by the Lender (collectively "Class" or "Class Members").
30. Based on conversations with some mortgage brokers, it is estimated that there are probably in excess of 5,000 Class Members in Massachusetts alone many more Class Members throughout the United States.
31. The plaintiff's claims are typical of the claims of the Members of the Class. The plaintiff and all members of the Class sustained damages as a result of the wrongful conduct for which the Lender is responsible as described in this complaint.
32. The plaintiff will fairly and adequately protect the interests of the Members of the Class and he has retained counsel competent and experienced in class action litigation.
33. A class action is superior to other available methods for the fair and effect adjudication of this controversy. The damages suffered by many individual Class Members are relatively small, albeit significant, and many, especially those who closed down, do not have the financial ability to proceed individually. Thus, the expense and burden of individual litigation makes it impractical for many Class members individually to seek redress for the wrongful conduct alleged in this action.
34. Common questions of law and fact exist as to all Members of the Class and predominate over any questions solely affecting individual Members of the Class. Among the questions of law and fact common to the Class are:
- a. Whether the Lender breached its obligations and duties owed with regard to home mortgage loan accounts;
  - b. Whether the Lender has breached state and federal statutes and regulations, such as 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Servicing), 15 USC §§ 7601, et seq., 12 CFR Part 26 (Regulation XI, G.L. Chapter 140D (MCCCD) and G.L. Chapter 93, Section 7D (Title Certification).

- c. Whether the Lender has committed unfair trade practices in Massachusetts and in other states which now all have so-called "baby F.T.C." unfair trade practices statutes;
  - d. Whether the Lender has unreasonably imposed and collected service charges for services that were not performed or only partially preformed; and
  - e. Whether the Lender wrongfully assesses and collects unilaterally imposed unfair or unreasonable fees and charges;
  - f. Whether the Lender fails to timely provide, after a qualified written request has been made of it, written responses that address each of the issues raised in said request.
35. The plaintiff knows of no difficulty which will be encountered in the management of this litigation which would preclude its maintenance as a Class Action.
36. Certifying this as a class action would resolve these issues for all potential plaintiffs without the necessity of filing individual lawsuits. Additionally, class certification in this matter would not impose any significant burden upon the Court.
37. In this case, the certification of the class is appropriate where the it would not complicate or delay disposition of the case and the Lender would suffer no prejudice as a result of certification and where certification would assure the class members that the Lender would not evade its responsibility in implementing any Court orders.
38. The names and addresses of all Class Members are available from the Lender and notice will be provided to Class Members via first-class mail, using techniques and a notice approved by this court.

#### **PRAYERS FOR RELIEF**


WHEREFORE, plaintiff, on his own behalf and on the behalf of others similarly situated (Class Members) prays for judgment as follows:

- 1. Declare this action to be a Class Action.
- 2. Award to the plaintiff and to all Class Members compensatory damages in an amount which may be proven at trial and actual and statutory damages, together with prejudgment interest at the maximum rate allowed by law.
- 3. Award to the plaintiff and to all Class Members treble damages as well as restitution based on unjust enrichment and disgorgement of funds unjustly obtained.
- 4. Award to the plaintiff his costs and expenses incurred in this action, including reasonable attorney, accountant and expert fees.

5. Award to plaintiff and to all Class Members such other and further relief as this court may deem meet, just and proper.

**THE PLAINTIFF CLAIMS A TRIAL BY JURY ON ALL ISSUES SO TRIABLE.**

BERIN LOCKWOOD, Plaintiff  
By his Attorney



---

Evans J. Carter, Esq. (BBO # 076560)  
Hargraves, Karb, Wilcox & Galvani, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966  
(508) 620-0140

Dated: February 18, 2005

**A Settlement Statement****U.S. Department of Housing  
And Urban Development**

HUD-1 (3/88) OMB No. 2502-0265

**B. Type of Loan**

☐ FHA    2. ☐ FmHA    3. ☒ CONV. UNINS.  
☐ VA    5. ☐ CONV. INS.

6. File Number:

7. Loan Number:

68114669

8. Mortgage Ins. Case No.:

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown.  
 Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name and Address of Borrowers:

Berlin Lockwood  
 125 Pugsley Avenue  
 Apt. 516  
 Richmond Hill

Ont.

F. Name and Address of Lender:

Full Spectrum Lending  
 500 Edgewater Park, Suite 568  
 Wakefield, MA 01880

E. Name and Address of Sellers:

James W. Sewell

Carolyn A. Sewell

14 Everett Street

Norfolk

MA 02056

H. Settlement Agent:

Gary F. Kinsella  
 22 Summer Street  
 Boston, MA 02125

G. Property Location:

14 Everett Street

Norfolk

MA

02056

I. Settlement Date:

08/27/2004

Place of Settlement:

Gary F. Kinsella Atty. at Law  
 22 Summer Street Dorchester, MA 02125

**J. Summary of Borrower's Transaction****K. Summary of Seller's Transaction**

100. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
101. Contract sales price	530,000.00	401. Contract sales price	530,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	4,876.70	403.	
104. Appraisal Fee to Appraisals	300.00	404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes 08/27/2004 to 09/30/2004	541.51	406. City/town taxes 08/27/2004 to 09/30/2004	541.51
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due From Borrower	\$535,718.21	420. Gross Amount Due To Seller	\$530,541.51
200. Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due To Seller	
201. Deposit or earnest money	52,000.00	501. Excess deposit (see instructions)	25,500.00
202. Principal amount of new loan(s)	450,000.00	502. Settlement charges to seller (line 1400)	29,343.80
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff 1 Countrywide Home Loans	109,737.65
205.		505. Payoff 2	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	\$502,000.00	520. Total Reductions Amount Due Seller	\$164,581.45
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross amount due from borrower (line 120)	\$535,718.21	601. Gross amount due to seller (line 420)	\$530,541.51
302. Less amount paid by/for borrower (line 220)	(\$502,000.00)	602. Less reductions in amount due seller (line 520)	(\$164,581.45)
303. CASH <input checked="" type="checkbox"/> FROM <input type="checkbox"/> TO BORROWER:	\$33,718.21	603. CASH <input checked="" type="checkbox"/> TO <input type="checkbox"/> FROM SELLER:	\$365,960.06

Buyer's Initials *BL***EXHIBIT**Seller's Initials *JKL CA-S*

tabular

*A*

1000

## Settlement Statement Page 2

L. Settlement Charges				Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price	530,000.00 @ 5.0000 % = 26,500.00				
Division of Commission (line 700) as follows:					
701. 15,900.00 to Re/Max Landmark					
702. 10,600.00 to Re/Max Executive					26,500.00
703. Commission paid at Settlement					
704.					
800. Items Payable in Connection With Loan					
801. Loan Origination Fee %					
802. Loan Discount %				75.00	
803. Appraisal Fee to Appraisals Unlimited				35.00	
804. Credit Report to LandSafe					
805. Lender's Inspection Fee					
806. Mortgage Insurance Application Fee					
807. Assumption Fee				25.00	
808. Flood Certification to Landsafe Flood				79.00	
809. Tax Service Fee to Countrywide Tax Service				535.00	
810. Processing Fee to Full Spectrum Lending					
811.					
812.					
813.					
814.					
815.					
900. Items Required By Lender To Be Paid in Advance				439.20	
901. Interest from 08/27/2004 to 08/31/2004 @ 87.84 / day					
902. Mortgage Insurance Premium for mo. to					
903. Hazard Insurance Premium for yrs. to					
904. yrs. to					
1000. Reserves Deposited With Lender					
1001. Hazard Insurance months @ per month					
1002. Mortgage Insurance months @ per month					
1003. City property taxes months @ 484.44 per month					
1004. months @ per month					
1005. months @ per month					
1006. months @ per month					
1007. months @ per month					
1008. Aggregate Adjustment					
1100. Title Charges				695.00	
1101. Settlement or closing fee to Gary F. Kinsella, Esquire				150.00	
1102. Abstract or title search to Quirk Associates				75.00	
1103. Title examination to Gary F. Kinsella, Esq.					
1104. Title Insurance binder to					
1105. Document preparation to					
1106. Notary fees to					
1107. Attorney's fees to					
(Includes above Item Numbers:				2,140.50	
1108. Title Insurance to First American Title Insurance Company					
(Includes above Item Numbers:					
1109. Lender's coverage 450,000.00 Loan Premium: \$1,311.75					
1110. Owner's coverage 530,000.00 Owner's Premium: \$828.75				50.00	
1111. Run-down and Record to Quirk Associates					
1112.					
1113. Title Agent Commission \$1,498.35 70%					
1200. Government Recording and Transfer Charges				302.00	152.00
1201. Recording fees: Deed 126.00 Mortgage 176.00 Releases 152.00					
1202. City/county tax stamps: Deed Mortgage				0.00	2,416.80
1203. State tax/stamps: Deed 2,416.80 Mortgage				91.00	
1204. Obtain and Record MLC to Town of Norfolk/Norfolk Deeds					
1300. Additional Settlement Charges				150.00	
1301. Survey to Northstar Co.					
1302. Post Inspection to				35.00	25.00
1303. Overnight Delivery Fee to FedEx					125.00
1304. Mortgage Discharge Fee to Gary F. Kinsella/AT&T					125.00
1305. Drafting of Deed to Gary F. Kinsella, Esq.					
				\$4,876.70	\$29,343.60

1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement (pages 1 and 2).

Borrowers

*Berlin Lockwood*  
 Berlin Lockwood

Sellers

*James M. Sewell Carolyn F. Sewell*  
 James M. Sewell Carolyn F. Sewell

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent

Gary F. Kinsella, Esquire

Date 08/27/2004

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment.



**Countrywide Home Loans Servicing LP**

Payoff Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 800-669-6607  
 972-526-1115

**PAYOFF DEMAND STATEMENT**  
 Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

Chl Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-617-327-2745

**Escrow #**

Principal Balance as of 11/01/2004  
 Interest from 11/01/2004 to 11/30/2004  
 \*Statement Fees  
 County Recording Fee

**Property Address:**

Berlin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114669-2  
 Case #

\$ 449,278.16  
 2,543.35  
 30.00  
 75.00

**Total Payoff Due on Loan No. 68114669 \$ 461,926.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7018	11/01/2004	11/30/2004	7.125 %

<sup>1</sup> Daily Interest Daily interest = Principal Balance x Interest Rate ÷ 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES BEFORE NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or CASHED FUNDS ONLY. They MUST reference the Countrywide loan number, property address and borrower's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check. Funds must be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berlin Lockwood  
 Loan Number: 68114669-2.

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

call 1-800-669-5833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

**EXHIBIT**

B

3310 CF 1020 4/14/2004

JAN-12-2005 14:08 F.F.M.

P.3-4

To: 508 875 7728



Countrywide Home Loans Servicing LP  
Payoff Demand Statement Page 2

Account No.: 68114669-2  
Customer Name: Berin Lockwood

Payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- Your scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Potential collection charges that may be applied if your account is past due.
- Service charges for delinquent payments received after: 12/18/2004.

**COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor póngase en contacto con nuestro Departamento de Servicio al Cliente al 1-800-295-0025.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information through an automated telephone system at 1-800-659-5833. Instead, you have elected to purchase Countrywide's written payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement (maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to have your electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is complete may result in excess funds being drafted from your financial account. These funds will be returned with any additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

December 17, 2004

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Gregory Allen Lumsden, President  
FULL SPECTRUM LENDING, INC.

35 N. Lake Avenue  
Pasadena, CA 91101

and

4500 Park Granada  
Calabasas, CA 91302

Branch Manager  
FULL SPECTRUM LENDING, INC.

50 Braintree Hill Avenue  
Braintree, MA 02184

Branch Manager  
FULL SPECTRUM LENDING, INC.  
500 Edgewater Drive, Suite 568  
Wakefield, MA 01880

President  
COUNTRYWIDE HOME LOANS, INC.  
P.O. Box 10423

Van Nuys, CA 91410-0423

and

400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Gentlemen/Ladies:

I have been retained by the above-named Berin Lockwood to review the above-stated mortgage loan documentation. I have opined that your respective companies have committed unfair trade practices in violation of M.G.L. Chapter 93A as well as violations of, among other laws:

- a. Federal Consumer Credit Cost Disclosure Act (TILA) 15 USC §§ 1601 et seq. And Regulation X (12 C.F.R., part 226);
- b. Massachusetts Consumer Credit Cost Disclosure, M.G.L. Chapter 140D;
- c. Federal Real Estate Settlement Procedures Act ("RESPA") 12 USC §§ 2601-17 and Regulation X (24 C.F.R. part 3500); and
- d. M.G.L. Chapter 93, Section 70 (Certification of Title to Mortgaged Premises).

**EXHIBIT**

tabler

C

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 2  
December 17, 2004

To-wit:

1. No good faith estimate of settlement charges prior to the closing was provided to Mr. Lockwood, as required by law.
2. Mr. Lockwood was informed that Countrywide Home Loans, Inc., and not Full Spectrum Lending, Inc., was the lender as Full Spectrum Lending, Inc. is a sub-prime, predatory lender who was unknown to my client until the closing; a classic, outlawed bait and switch technique.
3. The rate of interest was to be 6% fixed interest for 30 years and not a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The TILA Disclosure Statement, at the closing, stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
4. Dave L. Droza of Countrywide Home Loans, Inc., prepared the mortgage loan documents for Full Spectrum Lending, Inc., which established Countrywide Home Loans, Inc., control of the closing, terms, etc.
5. The settlement statement shows that improper and/or excessive fees or charges were collected, such as, but not limited to:
  - a. \$535 processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners to be insured that was not requested (line 1110); and
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300 and both were collected.
6. The Affiliated Business Agreement Disclosure Statement fails to show the arrangement (true state of the ownership, control and drafting of documents) by Countrywide Home Loans, Inc.
7. No mortgage loan commitment letter was ever provided to the consumer/borrower.
8. No preliminary fees and obligations' schedule was ever provided to the consumer/borrower.
9. No legal opinion, as required by G.L. Chapter 93, Section 70, was provided to the consumer/borrower at the closing.
10. It appears that because the consumer/borrower was from Canada, he was treated unfairly by your companies and by Hal Bean and Mr. Costa, who refused, after being requested, to send documents, such as good faith estimate of settlement charges and interest terms, in advance of the closing.

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 3  
December 17, 2004

As a result of the above-stated facts, I had Mr. Lockwood obtain a new mortgage from Washington Mutual under the terms that Countrywide Home Loans, Inc., your companies agreed to but failed to deliver and this mortgage loan was paid in full on or about 11/25/04.

Based on your companies' actions, I must consider if this is your standard operating procedure and if a class action is warranted. Demand is herewith made that you send me, in or within 30 days, a schedule of all home mortgage loans in the past six (6) years where no good faith estimate (prior to closing) was sent to consumers/borrowers.

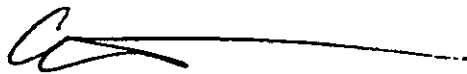
Demand is herewith made for your companies to pay the following damages, restitution, rescission and charges as your services were of little or no value to the consumer/borrower:

a.	All closing costs, fees and expenses	\$ 5,176.70
b.	Four mortgage payments made	12,126.92
c.	Reasonable attorney fees	<u>900.00</u>
TOTAL		<u>\$18,203.62</u>

Pursuant to M.G.L. Chapter 93A, each of your companies has 30 days to respond to this demand letter, in writing, and to resolve this matter. After that date, if this matter has not been resolved, my client has requested me to file a complaint with Norfolk Superior Court and to seek treble damages, reasonable attorney's fees, interest and costs and to seek class action certification if you fail to send me the schedule of borrowers to whom good faith estimates were not provided prior to closing.

Trusting that you understand our position, I remain

Very truly yours,



EVANS J. CARTER

EJC/aec

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140  
Telefax (508) 875-7728

December 23, 2004

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
AMENDED DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Dear Sir/Madam:

This letter shall amend the demand letter sent to you dated December 17, 2004.

1. A request for an itemized accounting of the above-stated loan is hereby demanded.
2. Enclosed is a copy of a check, dated 12/13/04 in an amount of \$87.78, sent to my client with no explanation except for "escrow balance refund." Query, was there any escrow established? If so, what was collected and when and how much was paid out and to whom was it paid to?

Awaiting your written timely reply, I remain

Very truly yours,

  
\_\_\_\_\_  
EVANS J. CARTER

EJC/aec  
Enclosure

EXHIBIT

D

Countrywide Home Loans Servicing LP  
 PO Box 5012  
 Woodland Hills CA 91365-5012

BERIN LOCKWOOD  
 14 EVERETT ST  
 NORFOLK MA 02056

ck no: 1178114  
 e: 12/13/2004  
 ck amount: 87.78  
 Treasury id: 27627349  
 Comp. No: 681  
 Agency No: 14669  
 Escrow type: 10  
 Escrow desc: A/C#068114669 ESCROW BAL REFUND  
 Page: 1  
 CFCBPOA  
 -ESR  
 ck payee: BERIN LOCKWOOD

an no	Amount	Mortgagor	Reference
114669	87.78	BERIN LOCKWOOD	

TAL: 87.78

\*NUMBER OF ACCOUNTS: 1



0001178114 2031100209

38687899

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

January 10, 2005

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Marianna:

This amendment to the demand letter shall confirm that you told me, on January 4, 2005, that the check for \$87.78, dated December 13, 2004, was not for an "escrow balance refund" but, rather, was for reimbursement of the excess amount after the loan had been paid off and that you made no offers of settlement.

This concerns me because on the Settlement Sheet there was a charge, on line 809, collecting from my client \$79.00 for a "tax service fee to Countrywide Tax Service."

I remain

Very truly yours,

  
\_\_\_\_\_  
EVANS J. CARTER

EJC/acc



**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

January 17, 2005

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.

P.O. Box 10423

Van Nuys, CA 91410-0423

and

400 Countrywide Way

Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)

14 Everett Street, Norfolk, MA 02056 (Home/Residence)

8/27/04 Mortgage Loan of \$450,000

FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Dear Marianna:

Enclosed please find a copy of a 11/17/04 Payoff Demand Statement from Countrywide Home Loans Servicing LP.

Please send me:

1. A copy of the amortization schedule that your company used to determine said payoff amount and your worksheet;
2. Receipt of notice in advance to our client that \$30 would be charged as "statement fee" and worksheet as to the actual costs for sending a statement; and
3. Relationship between your company and Countrywide Home Loans Servicing LP and a schedule as to who the general and limited partners are.

Awaiting your response, I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec

**EXHIBIT**





**Countrywide Home Loans Servicing LP**

Department  
Corporate Drive  
TX 75024-4100  
750-6607  
1-800-669-6833

**PAYOFF DEMAND STATEMENT**

Statement Date: November 17, 2004  
Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

Chl Automated Payoff  
Faxed Demand  
X  
X 99999-9999

Faxed to: 1-617-327-2745

Escrow #

**Property Address:**

Berlin Lockwood  
14 Everett Street  
Norfolk, MA 02056

Payoff Loan No.: 68114669-2  
Case #

Principal Balance as of 11/01/2004  
Interest from 11/01/2004 to 11/30/2004  
\*Statement Fees  
County Recording Fee.

\$ 449,278.16  
2,543.35  
30.00  
75.00

**Total Payoff Due on Loan No. 68114669** \$ **451,926.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7016	11/01/2004	11/30/2004	7.125 %

<sup>1</sup> Daily Interest Daily Interest = Principal Balance x Interest Rate ÷ 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES AFTER NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or CHECKED FUNDS ONLY. They MUST reference the Countrywide loan number, property address and borrower's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check and be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
ABA Routing #: 121 000 358  
Beneficiary Acct Name: MRC  
Beneficiary Acct Number: 12356-19173  
Reference: Berlin Lockwood  
Loan Number: 68114669-2

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
Countrywide Home Loans Servicing LP  
7105 Corporate Drive  
Plano, TX 75024-4100

call 1-800-669-6833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

S310.CF 1020 4/17/2004

JHN-12-2005 14:08 From:

To: 508 875 7728

P.3/4

NAV 17 2004 04/04/04 FAX Station: Law Office of Linda S. Bingham

**Countrywide Home Loans Servicing LP**  
**Payoff Demand Statement Page 2**

**Account No.: 68114669-2**  
**Customer Name: Berin Lockwood**

Payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Potential collection charges that may be applied if your account is past due.
- Late charges for delinquent payments received after: 12/16/2004.

**IF COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor póngase en contacto con nuestro Departamento de Servicio al Cliente al 1-800-295-0025.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement (maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to have your electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is complete may result in excess funds being drafted from your financial account. These funds will be returned with any additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*



(TO PLAINTIFF'S ATTORNEY: PLEASE CIRCLE TYPE OF ACTION INVOLVED:-  
TORT - MOTOR VEHICLE TORT - CONTRACT -  
EQUITABLE RELIEF - OTHER.)

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

SUPERIOR COURT  
CIVIL ACTION

NO. 05 00310

BERIN LOCKWOOD, Individually and on  
behalf of Class Members ..... Plaintiff(s)

FULL SPECTRUM LENDING, INC., and  
COUNTRYWIDE HOME LOANS, INC. .... Defendant(s)

SUMMONS

To the above-named Defendant: COUNTRYWIDE HOME LOANS, INC.

You are hereby summoned and required to serve upon Evans J. Carter, Esq.,  
P.O. Box 966  
Framingham, MA 01701-0966, an answer to the com-  
plaintiff's attorney, whose address is .....  
plaint which is herewith served upon you, within 20 days after service of this summons upon you,  
exclusive of the day of service. If you fail to do so, judgment by default will be taken against you  
for the relief demanded in the complaint. You are also required to file your answer to the com-  
plaint in the office of the Clerk of this court at Dedham either before service upon plaintiff's attorney  
or within a reasonable time thereafter.

Unless otherwise provided by Rule 13(a), your answer must state as a counterclaim  
any claim which you may have against the plaintiff which arises out of the transaction or occur-  
rence that is the subject matter of the plaintiff's claim or you will thereafter be barred from making  
such claim in any other action.

BARBARA J. ROUSE, Esquire  
WITNESS, SUZANNE V. DELVECCHIO, Esquire, at Dedham, MA, the 24th

day of February, in the year of our Lord two thousand and five

A true copy Attest

318101 Deputy Sheriff Suffolk County

Harold A. Denny Clerk

NOTES:

1. This summons is issued pursuant to Rule 4 of the Massachusetts Rules of Civil Procedure.
2. When more than one defendant is involved, the names of all defendants should appear in the caption.  
If a separate summons is used for each defendant, each should be addressed to the particular defendant.

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, SS

SUPERIOR COURT DEPARTMENT  
OF THE TRIAL COURT  
CIVIL ACTION NO. 05- 310 C

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,  
Plaintiff

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,  
Defendants

**COMPLAINT, JURY CLAIM AND  
REQUEST FOR CLASS CERTIFICATION**

**I. Introduction and Overview of Action**

1. Plaintiff brings this action on behalf of himself and on behalf of all others similarly situated, specifically, consumers who have or have had residential mortgage loans with either or both of the defendants. This complaint seeks rescission and restitution, multiple damages and attorney's fees pursuant to G.L. Chapter 93A, Section 9, and injunctive relief as the defendants have violated 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Services), 15 USC § 160/et seq. (TILA), 12 CFR Part 26 (Regulation X), G.L. Chapter 140D (Mass. Consumer Credit Cost Disclosure), and G.L. Chapter 93, § 70 (Certification). The plaintiff is seeking in this complaint to certify a nationwide class action. Massachusetts has jurisdiction over this action as the defendants do business here and filed numerous complaints in the Trial Court. The Superior Court has exclusive jurisdiction because a request for a class action under G.L. Chapter 93A, Section 9 is being prayed for and the District Court Department has no jurisdiction.

**II. Parties**

2. The plaintiff, Berin Lockwood, resides at 14 Everett Street, Norfolk, Norfolk County, Massachusetts, and he formerly resided in Ontario, Canada.
3. The defendant, Full Spectrum Lending, Inc., is a corporation with its executive offices in Pasadena, California, and a Massachusetts office at 50 Braintree Hill Road, Braintree, Norfolk County, Massachusetts, and it is owned or is a subsidiary of Countrywide Financing Corporation.
4. The Defendant, Countrywide Home Loans, Inc., is a corporation with its offices in Sims Valley, California and it is owned by or is a subsidiary of Countrywide Financial Corporation. Both Full Spectrum Lending, Inc. and Countrywide Home Loans, Inc. are hereinafter referred to, collectively, as the "Lender."

5. The plaintiff was living in Canada with his wife and entered into an agreement to purchase a home on or about July 22, 2004 located at 14 Everett Street, Norfolk, Massachusetts, and he spoke with Harold Bean of the Lender in order to obtain mortgage financing.
6. Mr. Bean told the plaintiff that he could get a 5.25% mortgage loan in the principal amount of \$450,000 for him and that no rate lock-in agreement or documentation would be needed but later, Mr. Bean advised that the best he could do would be 6%.
7. No good faith estimate of the settlement charges were provided to the plaintiff, as required by law, nor was any loan commitment letter sent to the plaintiff.
8. At the real estate closing, which took place on or about August 27, 2004, a classic bait and switch practice was completed.
9. The mortgage loan product given to the plaintiff did not have a rate of interest at 6% fixed interest for 30 years but, rather, was a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The Truth-in-Lending Disclosure Statement at the closing stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
10. The plaintiff literally had no choice but to close as he had made firm arrangements to move and he would have lost his home deposit in an amount of \$53,000.
11. In addition, the settlement statement provided for improper and/or excess fees and unreasonable charges were collected, such as, but not limited to:
  - a. \$535 Processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners' title insurance that was not requested (line 1110);
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300, and both were collected; and
  - d. Tax services charge of \$79 (line 809) but the loan had no real estate tax escrow account and, in any event, should have refunded on some basis because it was not utilized.

A copy of the Settlement Statement is annexed hereto and marked as Exhibit A.

12. Neither at the closing nor to date, was a legal opinion, as required by G.L. Chapter 93, Section 70, provided to the plaintiff.
13. As soon as reasonably practicable, the plaintiff applied for a new mortgage loan, which he obtained, and he had the mortgage loan refinanced and the lender paid off by on or about November 29, 2004 so the mortgage loan to the Lender was only outstanding for three (3) months. A copy of the lender's payoff letter of November 17, 2004 is annexed hereto and

marked as Exhibit B.

14. On or about December 13, 2004, after the \$450,000 mortgage loan had been paid in full, the Lender sent a check for \$87.78 marked "escrow balance refund," but no real estate tax escrow or any other type of escrow account was disclosed to the plaintiff.
15. On or about December 17, 2004, the plaintiff caused a G.L. Chapter 93A demand letter to be sent to the Lender, a copy of which is annexed hereto and marked as Exhibit C.
16. By the above-stated actions, the plaintiff has incurred damages and costs as follows:

1. Needless costs, fees and expenses to:
  - i) The Lender ..... \$ 4,876.70
  - ii) Mortgage payments made ..... 12,126.92
  - iii) Attorney's fees and costs (to date) ..... 9,000.00

<b>Total</b>	<b><u>\$16,003.62</u></b>
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### **COUNT I**

#### ***(Breach of Contract)***

The plaintiff incorporates by reference and realleges paragraphs 1 through 16, inclusive, as if fully set forth herein.

17. By the above-stated actions, the Lender has breached the agreements with the plaintiff whereby the plaintiff has been, as well as the other class members, caused to incur substantial money damages.

### **COUNT II**

#### ***(Breach of Covenant of Good Faith and Fair Dealing)***

The plaintiff incorporates by reference and realleges paragraphs 1 through 17, inclusive, as if fully set forth herein.

18. The Lender owed to the plaintiff and the class members a covenant of good faith and fair dealing and by the above-stated actions, the Lender breached the same which caused damages to the plaintiff and the other class members.

**COUNT III**

**(Disgorgement of Wrongful Profits and for an Accounting)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 18 inclusive, as if fully set forth herein.

19. The Lender has engaged in unfair mortgage practices.
20. The Lender has collected monies that were not due and owing under applicable contract law because the contract or other applicable law does not permit them to collect such unreasonable fees and charges.
21. This claim is for disgorgement of the unjust enrichment to the Lender.
22. The plaintiff and the other class members have suffered monetary losses by virtue of the Lender's conduct and they request a full accounting of all revenues (and interest thereon) and costs incurred as well as the disgorgement of all profits earned from the said funds.

**COUNT IV**

**(Unfair Trade Practices, G.L. Chapter 93A)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 22 inclusive, as if fully set forth herein.

23. By the above-stated actions, the Lender has committed unfair trade practices in violation of General Laws, Chapter 93A, Section 9, as well as violating numerous rules and regulations and statutes.
24. The above-stated actions were done knowingly, willfully, intentionally and/or recklessly by the Lender.
25. The Lender conducts trade or commerce in Massachusetts so as to come within the purview of G.L. Chapter 93A.
26. On or about December 17, 2004, the plaintiff caused a so-called G.L. Chapter 93A demand letter to be served on the Lender (Exhibit C).
27. On or about December 23, 2004, January 10, 2005 and January 17, 2005, amendments to the demand letter were caused to be served on the Lender, a copy of each of which is annexed hereto and marked as Exhibit D, E and F respectively.



28. As a direct result of the Lender's unfair trade practices, as above-stated, the plaintiff and the other class members have incurred monetary damages plus interest, costs and reasonable attorney's fees.

### **COUNT V**

#### **(Class Action Certification)**

The plaintiff incorporates by reference and reallege paragraphs 1 through 28 inclusive, as if fully set forth herein.

29. The plaintiff brings this action as a class action pursuant to Rule 23 of the Massachusetts Rules of Civil Procedure on behalf of all persons and entities who have or had mortgage loans owned or serviced by the Lender (collectively "Class" or "Class Members").
30. Based on conversations with some mortgage brokers, it is estimated that there are probably in excess of 5,000 Class Members in Massachusetts alone many more Class Members throughout the United States.
31. The plaintiff's claims are typical of the claims of the Members of the Class. The plaintiff and all members of the Class sustained damages as a result of the wrongful conduct for which the Lender is responsible as described in this complaint.
32. The plaintiff will fairly and adequately protect the interests of the Members of the Class and he has retained counsel competent and experienced in class action litigation.
33. A class action is superior to other available methods for the fair and effect adjudication of this controversy. The damages suffered by many individual Class Members are relatively small, albeit significant, and many, especially those who closed down, do not have the financial ability to proceed individually. Thus, the expense and burden of individual litigation makes it impractical for many Class members individually to seek redress for the wrongful conduct alleged in this action.
34. Common questions of law and fact exist as to all Members of the Class and predominate over any questions solely affecting individual Members of the Class. Among the questions of law and fact common to the Class are:
- a. Whether the Lender breached its obligations and duties owed with regard to home mortgage loan accounts;
  - b. Whether the Lender has breached state and federal statutes and regulations, such as 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Servicing), 15 USC §§ 7601, et seq., 12 CFR Part 26 (Regulation XI, G.L. Chapter 140D (MCCCD) and G.L. Chapter 93, Section 7D (Title Certification).

- c. Whether the Lender has committed unfair trade practices in Massachusetts and in other states which now all have so-called "baby F.T.C." unfair trade practices statutes;
  - d. Whether the Lender has unreasonably imposed and collected service charges for services that were not performed or only partially preformed; and
  - e. Whether the Lender wrongfully assesses and collects unilaterally imposed unfair or unreasonable fees and charges;
  - f. Whether the Lender fails to timely provide, after a qualified written request has been made of it, written responses that address each of the issues raised in said request.
35. The plaintiff knows of no difficulty which will be encountered in the management of this litigation which would preclude its maintenance as a Class Action.
36. Certifying this as a class action would resolve these issues for all potential plaintiffs without the necessity of filing individual lawsuits. Additionally, class certification in this matter would not impose any significant burden upon the Court.
37. In this case, the certification of the class is appropriate where the it would not complicate or delay disposition of the case and the Lender would suffer no prejudice as a result of certification and where certification would assure the class members that the Lender would not evade its responsibility in implementing any Court orders.
38. The names and addresses of all Class Members are available from the Lender and notice will be provided to Class Members via first-class mail, using techniques and a notice approved by this court.

#### **PRAYERS FOR RELIEF**


WHEREFORE, plaintiff, on his own behalf and on the behalf of others similarly situated (Class Members) prays for judgment as follows:

1. Declare this action to be a Class Action.
2. Award to the plaintiff and to all Class Members compensatory damages in an amount which may be proven at trial and actual and statutory damages, together with prejudgment interest at the maximum rate allowed by law.
3. Award to the plaintiff and to all Class Members treble damages as well as restitution based on unjust enrichment and disgorgement of funds unjustly obtained.
4. Award to the plaintiff his costs and expenses incurred in this action, including reasonable attorney, accountant and expert fees.

5. Award to plaintiff and to all Class Members such other and further relief as this court may deem meet, just and proper.

**THE PLAINTIFF CLAIMS A TRIAL BY JURY ON ALL ISSUES SO TRIABLE.**

BERIN LOCKWOOD, Plaintiff  
By his Attorney



---

Evans J. Carter, Esq. (BBO # 076560)  
Hargraves, Karb, Wilcox & Galvani, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966  
(508) 620-0140

Dated: February 18, 2005

**A Settlement Statement**U.S. Department of Housing  
And Urban Development

HUD-1 (3/88) OMB No. 2502-0265

**B. Type of Loan**
☐ FHA    2. ☐ FmHA    3. ☒ CONV. UNINS.  
☐ VA    5. ☐ CONV. INS.

6. File Number:

7. Loan Number:

8. Mortgage Ins. Case No.:

68114669

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "D.O.C." were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name and Address  
of Borrowers:
 Berin Lockwood  
 125 Pugsley Avenue  
 Apt. 516  
 Richmond Hill

Ont.

F. Name and Address of Lender:  
Full Spectrum Lending
 500 Edgewater Park, Suite 568  
 Wakefield, MA 01880
E. Name and Address  
of Sellers:
 James W. Sewell  
 14 Everett Street

Carolyn A. Sewell

Norfolk

MA 02056

H. Settlement Agent

 Gary F. Kinsella  
 22 Summer Street  
 Boston, MA 02125

G. Property Location:

14 Everett Street

I. Settlement Date:

08/27/2004

Place of Settlement:

 Gary F. Kinsella Atty. at Law  
 22 Summer Street Dorchester, MA 02125

Norfolk

MA

02056

**J. Summary of Borrower's Transaction****K. Summary of Seller's Transaction**

<b>100. Gross Amount Due From Borrower</b>		<b>400. Gross Amount Due To Seller</b>	
101. Contract sales price	530,000.00	401. Contract sales price	530,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	4,876.70	403.	
104. Appraisal Fee to Appraisals	300.00	404.	
105.		405.	
<b>Adjustments for items paid by seller in advance</b>		<b>Adjustments for items paid by seller in advance</b>	
106. City/town taxes 08/27/2004 to 09/30/2004	541.51	406. City/town taxes 08/27/2004 to 09/30/2004	541.51
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
<b>120. Gross Amount Due From Borrower</b>	<b>\$535,718.21</b>	<b>420. Gross Amount Due To Seller</b>	<b>\$530,541.51</b>
<b>200. Amounts Paid By Or In Behalf Of Borrower</b>		<b>500. Reductions in Amount Due To Seller</b>	
201. Deposit or earnest money	51,000.00	501. Excess deposit (see instructions)	25,500.00
202. Principal amount of new loan(s)	450,000.00	502. Settlement charges to seller (line 1400)	29,343.80
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff 1 Countrywide Home Loans	109,737.65
205.		505. Payoff 2	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
<b>Adjustments for items unpaid by seller</b>		<b>Adjustments for items unpaid by seller</b>	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
<b>220. Total Paid By/For Borrower</b>	<b>\$502,000.00</b>	<b>520. Total Reductions Amount Due Seller</b>	<b>\$164,581.45</b>
<b>300. Cash At Settlement From/To Borrower</b>		<b>600. Cash At Settlement To/From Seller</b>	
301. Gross amount due from borrower (line 120)	\$535,718.21	601. Gross amount due to seller (line 420)	\$530,541.51
302. Less amount paid by/for borrower (line 220)	(\$502,000.00)	602. Less reductions in amount due seller (line 520)	(\$164,581.4)
<b>303. CASH <input checked="" type="checkbox"/> FROM <input type="checkbox"/> TO BORROWER:</b>	<b>\$33,718.21</b>	<b>603. CASH <input checked="" type="checkbox"/> TO <input type="checkbox"/> FROM SELLER:</b>	<b>\$365,960.06</b>

Buyer's Initials

B.L.

EXHIBIT

Seller's Initials

J.F. K.S.

EXHIBIT

A

1000

## Settlement Statement Page 2

I. Settlement Charges			Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price 510,000.00 @ 5.0000 % = 25,500.00				
Division of Commission (line 700) as follows:				
701. 15,000.00	to Re/Max Landmark			
702. 10,500.00	to Re/Max Executive			26,500.00
703. Commission paid at Settlement				
704.				
800. Items Payable in Connection With Loan				
801. Loan Origination Fee	%		75.00	
802. Loan Discount	%		35.00	
803. Appraisal Fee to Appraisals Unlimited				
804. Credit Report to LandSafe				
805. Lender's Inspection Fee				
806. Mortgage Insurance Application Fee				
807. Assumption Fee			25.00	
808. Flood Certification to Landsafe Flood			79.00	
809. Tax Service Fee to Countrywide Tax Service			535.00	
810. Processing Fee to Full Spectrum Lending				
811.				
812.				
813.				
814.				
815.				
900. Items Required By Lender To Be Paid in Advance			439.20	
901. Interest from	08/27/2004 to 08/31/2004 @ 87.84 / day			
902. Mortgage Insurance Premium for	mo. to			
903. Hazard Insurance Premium for	yr. to			
904.	yr. to			
1000. Reserves Deposited With Lender				
1001. Hazard Insurance	months @	per month		
1002. Mortgage Insurance	months @	per month		
1003. City property taxes	months @	484.44 per month		
1004.	months @	per month		
1005.	months @	per month		
1006.	months @	per month		
1007.	months @	per month		
1008. Aggregate Adjustment				
1100. Title Charges			695.00	
1101. Settlement or closing fee to	Gary F. Kinsella, Esquire		150.00	
1102. Abstract or title search to	Quirk Associates		75.00	
1103. Title examination to	Gary F. Kinsella, Esq.			
1104. Title Insurance binder to				
1105. Document preparation to				
1106. Notary fees to				
1107. Attorney's fees to				
(Includes above Item Numbers:			2,140.50	
1108. Title Insurance to First American Title Insurance Company				
(Includes above Item Numbers:				
1109. Lender's coverage 480,000.00	Loan Premium: \$1,311.75			
1110. Owner's coverage 530,000.00	Owner's Premium: \$828.75		50.00	
1111. Run-down and Record to Quirk Associates				
1112.				
1113. Title Agent Commission \$1,498.35 70%				
1200. Government Recording and Transfer Charges			302.00	152.00
1201. Recording fees: Deed 126.00	Mortgage 176.00	Releases 152.00		
1202. City/county tax stamps: Deed	Mortgage		0.00	2,416.80
1203. State tax/stamps: Deed 2,416.80	Mortgage		91.00	
1204. Obtain and Record MLC to Town of Norfolk/Norfolk Deeds				
1205. Additional Settlement Charges			150.00	
1301. Survey to	Northstar Co.			
1302. Pest inspection to			35.00	25.00
1303. Overnight Delivery Fees to FedEx				125.00
1304. Mortgage Discharge Fee to Gary F. Kinsella/ATF				125.00
1305. Drafting of Deed to Gary F. Kinsella, Esq.				
			24,476.70	\$29,343.80

1400. Total Settlement Charges (enter on lines 103, Section J and 602, Section K)  
 I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement (pages 1 and 2).

Borrowers

Berlin Lockwood  
 Berlin Lockwood

Sellers

James W. Sewell  
 James W. Sewell  
Carolyn A. Sewell  
 Carolyn A. Sewell

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent

Gary F. Kinsella, Esquire

Date 08/27/2004

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment.

**Countrywide Home Loans Servicing LP**

Payoff Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 972-6607  
 972-626-1115

3161

**PAYOFF DEMAND STATEMENT**

Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

Chl Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-617-327-2745

Escrow #

**Property Address:**

Berlin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114669-2  
 Case #

Principal Balance as of 11/01/2004

\$ 449,278.16

Interest from 11/01/2004 to 11/30/2004

2,543.35

\*Statement Fees

30.00

County Recording Fee

75.00

**Total Payoff Due on Loan No. 68114669****\$ 451,926.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7016	11/01/2004	11/30/2004	7.125 %

<sup>1</sup>Daily Interest Daily Interest = Principal Balance x Interest Rate + 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES  
 AFTER NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or CHECKED FUNDS ONLY. They MUST reference the Countrywide loan number, property address and owner's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check. Funds must be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berlin Lockwood  
 Loan Number: 68114669-2.

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

call 1-800-669-8333 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

**EXHIBIT**

tabular

B

SH 6.0F 1028 4/9/2004



**Countrywide Home Loans Servicing LP**  
**Payoff Demand Statement Page 2**

**Account No.: 68114669-2**  
**Customer Name: Berin Lockwood**

Payoff amount is subject to change for various reasons, including but not limited to the following:  
• You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)  
• Your payment has been returned to us by your financial institution for any reason.  
• A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.  
• Potential collection charges that may be applied if your account is past due.  
• Late charges for delinquent payments received after: 12/18/2004.

**IF COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor llame con nuestro Departamento de Servicio al Cliente al 1-800-295-0026.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement with a maximum of \$90.00.

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to cancel our electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is complete may result in excess funds being drafted from your financial account. These funds will be returned with any additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

December 17, 2004

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Gregory Allen Lumsden, President  
FULL SPECTRUM LENDING, INC.  
35 N. Lake Avenue  
Pasadena, CA 91101  
and  
4500 Park Granada  
Calabasas, CA 91302

Branch Manager  
FULL SPECTRUM LENDING, INC.  
50 Braintree Hill Avenue  
Braintree, MA 02184

Branch Manager  
FULL SPECTRUM LENDING, INC.  
500 Edgewater Drive, Suite 568  
Wakefield, MA 01880

President  
COUNTRYWIDE HOME LOANS, INC.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Gentlemen/Ladies:

I have been retained by the above-named Berin Lockwood to review the above-stated mortgage loan documentation. I have opined that your respective companies have committed unfair trade practices in violation of M.G.L. Chapter 93A as well as violations of, among other laws:

- a. Federal Consumer Credit Cost Disclosure Act (TILA) 15 USC §§ 1601 et seq. And Regulation X (12 C.F.R., part 226);
- b. Massachusetts Consumer Credit Cost Disclosure, M.G.L. Chapter 140D;
- c. Federal Real Estate Settlement Procedures Act ("RESPA") 12 USC §§ 2601-17 and Regulation X (24 C.F.R. part 3500); and
- d. M.G.L. Chapter 93, Section 70 (Certification of Title to Mortgaged Premises).





**HARGRAVES, KARB, WILCOX & GALYANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 2  
December 17, 2004

To-wit:

1. No good faith estimate of settlement charges prior to the closing was provided to Mr. Lockwood, as required by law.
2. Mr. Lockwood was informed that Countrywide Home Loans, Inc., and not Full Spectrum Lending, Inc., was the lender as Full Spectrum Lending, Inc. is a sub-prime, predatory lender who was unknown to my client until the closing; a classic, outlawed bait and switch technique.
3. The rate of interest was to be 6% fixed interest for 30 years and not a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The TILA Disclosure Statement, at the closing, stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
4. Dave L. Droza of Countrywide Home Loans, Inc., prepared the mortgage loan documents for Full Spectrum Lending, Inc., which established Countrywide Home Loans, Inc., control of the closing, terms, etc.
5. The settlement statement shows that improper and/or excessive fees or charges were collected, such as, but not limited to:
  - a. \$535 processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners to be insured that was not requested (line 1110); and
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300 and both were collected.
6. The Affiliated Business Agreement Disclosure Statement fails to show the arrangement (true state of the ownership, control and drafting of documents) by Countrywide Home Loans, Inc.
7. No mortgage loan commitment letter was ever provided to the consumer/borrower.
8. No preliminary fees and obligations' schedule was ever provided to the consumer/borrower.
9. No legal opinion, as required by G.L. Chapter 93, Section 70, was provided to the consumer/borrower at the closing.
10. It appears that because the consumer/borrower was from Canada, he was treated unfairly by your companies and by Hal Bean and Mr. Costa, who refused, after being requested, to send documents, such as good faith estimate of settlement charges and interest terms, in advance of the closing.

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 3  
December 17, 2004

As a result of the above-stated facts, I had Mr. Lockwood obtain a new mortgage from Washington Mutual under the terms that Countrywide Home Loans, Inc., your companies agreed to but failed to deliver and this mortgage loan was paid in full on or about 11/25/04.

Based on your companies' actions, I must consider if this is your standard operating procedure and if a class action is warranted. Demand is herewith made that you send me, in or within 30 days, a schedule of all home mortgage loans in the past six (6) years where no good faith estimate (prior to closing) was sent to consumers/borrowers.

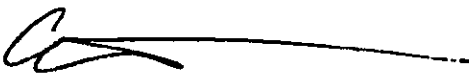
Demand is herewith made for your companies to pay the following damages, restitution, rescission and charges as your services were of little or no value to the consumer/borrower:

a.	All closing costs, fees and expenses	\$ 5,176.70
b.	Four mortgage payments made	12,126.92
c.	Reasonable attorney fees	<u>900.00</u>
	<b>TOTAL</b>	<b><u>\$18,203.62</u></b>

Pursuant to M.G.L. Chapter 93A, each of your companies has 30 days to respond to this demand letter, in writing, and to resolve this matter. After that date, if this matter has not been resolved, my client has requested me to file a complaint with Norfolk Superior Court and to seek treble damages, reasonable attorney's fees, interest and costs and to seek class action certification if you fail to send me the schedule of borrowers to whom good faith estimates were not provided prior to closing.

Trusting that you understand our position, I remain

Very truly yours,

  
\_\_\_\_\_  
EVANS J. CARTER

EJC/aec

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**  
Attorneys at Law

550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140  
Telefax (508) 875-7728

December 23, 2004

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**AMENDED DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

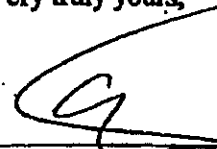
Dear Sir/Madam:

This letter shall amend the demand letter sent to you dated December 17, 2004.

1. A request for an itemized accounting of the above-stated loan is hereby demanded.
2. Enclosed is a copy of a check, dated 12/13/04 in an amount of \$87.78, sent to my client with no explanation except for "escrow balance refund." Query, was there any escrow established? If so, what was collected and when and how much was paid out and to whom was it paid to?

Awaiting your written timely reply, I remain

Very truly yours,

  
\_\_\_\_\_  
EVANS J. CARTER

EJC/aec  
Enclosure

**EXHIBIT**

**D**

Countrywide Home Loans Servicing LP  
 PO Box 5012  
 Woodland Hills CA 91365-5012

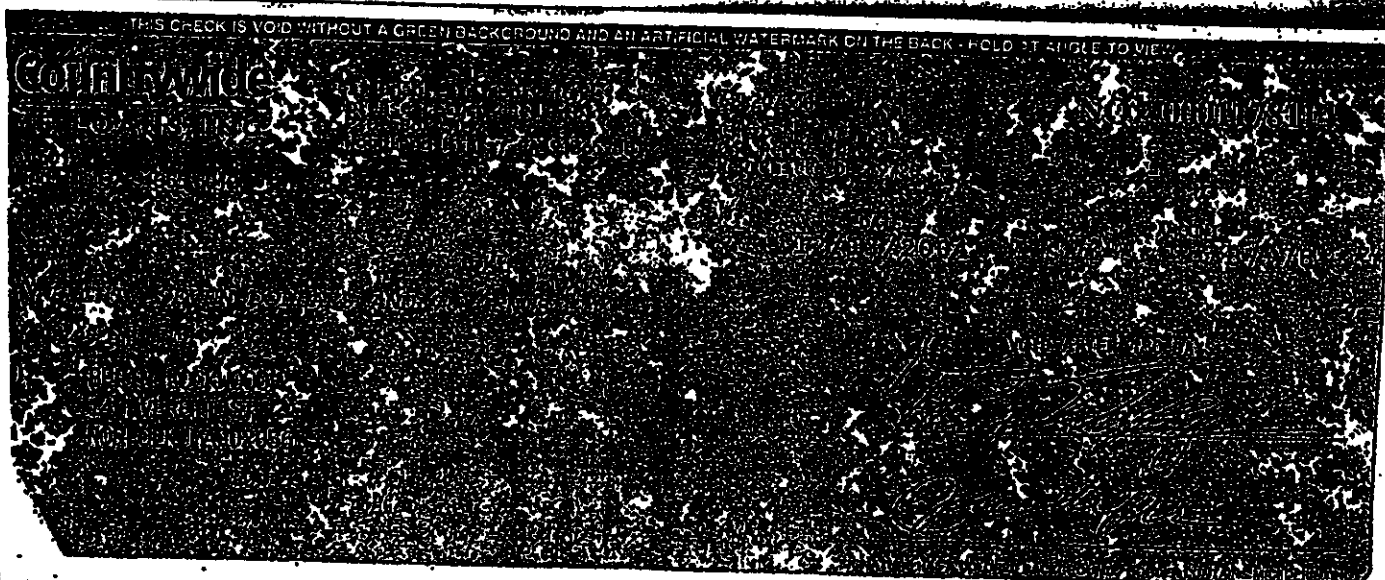
BERIN LOCKWOOD  
 14 EVERETT ST  
 NORFOLK MA 02056

ck no:	1178114	Treasury id:	27627349	Page:	1
e:	12/13/2004	Comp. No:	681		
ck amount:	87.78	Agency No:	14669		CFC000A
		Escrow type:	10		-ESR
ck payee:	BERIN LOCKWOOD	Escrow desc:	A/C#068114669 ESCROW BAL REFUND		

ck no	Amount	Mortgagor	Reference
114669	87.78	BERIN LOCKWOOD	

TAL: 87.78

\*NUMBER OF ACCOUNTS: 1



0001178114 031100209

38687899

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

January 10, 2005

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.

P.O. Box 10423

Van Nuys, CA 91410-0423

and

400 Countrywide Way

Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)

14 Everett Street, Norfolk, MA 02056 (Home/Residence)

8/27/04 Mortgage Loan of \$450,000

**FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Marianna:

This amendment to the demand letter shall confirm that you told me, on January 4, 2005, that the check for \$87.78, dated December 13, 2004, was not for an "escrow balance refund" but, rather, was for reimbursement of the excess amount after the loan had been paid off and that you made no offers of settlement.

This concerns me because on the Settlement Sheet there was a charge, on line 809, collecting from my client \$79.00 for a "tax service fee to Countrywide Tax Service."

I remain

Very truly yours,

  
EVANS J. CARTER

EJC/acc

EXHIBIT

E

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road  
P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140  
Telefax (508) 875-7728

January 17, 2005

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Marianna:

Enclosed please find a copy of a 11/17/04 Payoff Demand Statement from Countrywide Home Loans Servicing LP.

Please send me:

1. A copy of the amortization schedule that your company used to determine said payoff amount and your worksheet;
2. Receipt of notice in advance to our client that \$30 would be charged as "statement fee" and worksheet as to the actual costs for sending a statement; and
3. Relationship between your company and Countrywide Home Loans Servicing LP and a schedule as to who the general and limited partners are.

Awaiting your response, I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec



**Countrywide Home Loans Servicing LP**

Payoff Department  
 Corporate Drive  
 75024-4100  
 1-800-660-6607  
 1-726-26-1115

**PAYOFF DEMAND STATEMENT**

Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C-ARMS)

**Mailed to:**

Chl Automated Payoff  
 Faxed Demand

X  
 X 99999-9999

Faxed to: 1-617-327-2745

Easow #

**Property Address:**

Berlin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114669-2

Case #

Principal Balance as of 11/01/2004

Interest from 11/01/2004 to 11/30/2004

\*Statement Fees

County Recording Fee

**Total Payoff Due on Loan No. 68114669**

\$ 449,278.16

2,543.35

30.00

75.00

\$ 451,926.51

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7016	11/01/2004	11/30/2004	7.125 %

<sup>1</sup>Daily Interest Daily Interest = Principal Balance x Interest Rate x .365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES  
 AFTER NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or  
**DEPOSITED FUNDS ONLY.** They MUST reference the Countrywide loan number, property address and  
 owner's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check  
 must be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or  
 return of the funds to the remitter. Funds received after 5:00 p.m. Pacific Time may be posted the following  
 business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berlin Lockwood  
 Loan Number: 68114669-2

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

call 1-800-669-5833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

5316 OF 1020 4/17/2004

JUN-12-2005 14:08 From:

To: 508 875 7728

P.3/4

May 17 2004 9:07AM

Fax Station : Fax Office of Intra-Switching

Page 3

**Countrywide Home Loans Servicing LP**  
**Payoff Demand Statement Page 2**

**Account No.: 68114668-2**  
**Customer Name: Berin Lockwood**

Payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Potential collection charges that may be applied if your account is past due.
- Late charges for delinquent payments received after: 12/16/2004.

**IF COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor póngase en contacto con nuestro Departamento de Servicio al Cliente al 1-800-295-0026.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement (maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to have your electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is complete may result in excess funds being drafted from your financial account. These funds will be returned with any additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*



C

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC.  
and COUNTRYWIDE HOME LOANS,  
LOANS, INC.

Defendants.

Civil Action No. \_\_\_\_\_

**NOTICE OF REMOVAL TO  
ALL ADVERSE PARTIES**

TO: Evans J. Carter, P.C.  
HARGRAVES, KARB, WILCOX  
& GALVANI, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

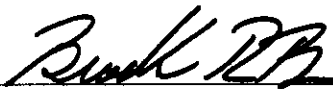
PLEASE TAKE NOTICE, that on April 1, 2005, defendants Full Spectrum Lending, Inc. (n/k/a Full Spectrum Lending, a division of Countrywide Home Loans, Inc.) and Countrywide Home Loans, Inc. filed a Notice of Removal of this action to the United States District Court for the District of Massachusetts. A true and correct copy of the Notice of Removal is annexed hereto.

This Notice is served upon you as counsel of record for plaintiff Berin Lockwood in compliance with 28 U.S.C. § 1446.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,

  
Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000

Brooks R. Brown (BBO# 634144)  
GOODWIN PROCTER LLP  
Exchange Place  
53 State Street  
Boston, MA 02109  
(617) 570-1000

Dated: April \_\_, 2005

LIBA/1522234.1

**D**

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

SUPERIOR COURT DEPT.  
OF THE TRIAL COURT

BERIN LOCKWOOD, Individually and on  
behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,

Defendants.

Civil Action No. 05-00310

**NOTICE OF FILING OF NOTICE OF REMOVAL**

PLEASE TAKE NOTICE THAT a Notice of Removal of this action was filed in the United States District Court for the District of Massachusetts on April 1, 2005. A copy of said Notice of Removal is attached to this Notice, and is served and filed herewith.

PLEASE TAKE FURTHER NOTICE THAT, pursuant to 28 U.S.C. § 1446(d), this notice is hereby provided to the Trial Court of the Commonwealth of Massachusetts, Superior Court Department for Norfolk County, to effect removal, and the Norfolk County Superior Court shall proceed no further unless and until the case is remanded.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,

A handwritten signature in black ink, appearing to read "Burdick RB", followed by a horizontal line.

Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000

Brooks R. Brown (BBO# 634144)  
GOODWIN PROCTER LLP  
Exchange Place  
53 State Street  
Boston, MA 02109  
(617) 570-1000

Dated: April \_\_, 2005

LIBA/1522236.1

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

SUPERIOR COURT DEPT.  
OF THE TRIAL COURT

BERIN LOCKWOOD, Individually and on  
behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,

Defendants.

Civil Action No. 05-00310

**NOTICE OF FILING OF NOTICE OF REMOVAL**

PLEASE TAKE NOTICE THAT a Notice of Removal of this action was filed in the United States District Court for the District of Massachusetts on April 1, 2005. A copy of said Notice of Removal is attached to this Notice, and is served and filed herewith.

PLEASE TAKE FURTHER NOTICE THAT, pursuant to 28 U.S.C. § 1446(d), this notice is hereby provided to the Trial Court of the Commonwealth of Massachusetts, Superior Court Department for Norfolk County, to effect removal, and the Norfolk County Superior Court shall proceed no further unless and until the case is remanded.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,



Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000


Brooks R. Brown (BBO# 634144)  
GOODWIN PROCTER LLP  
Exchange Place  
53 State Street  
Boston, MA 02109  
(617) 570-1000

Dated: April 4, 2005

LIBA/1522236.1

**CERTIFICATE OF SERVICE**

I hereby certify that a true copy of  
the above document was served upon  
(each party appearing pro se and the  
attorney of record for each other party  
by mail ~~(by hand)~~ on April 4, 2005.





COPY

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC.  
and COUNTRYWIDE HOME LOANS  
LOANS, INC.,

Defendants.

Civil Action No.

05 10647 MLW

NOTICE OF REMOVAL

I hereby certify on May 2, 2005 that the foregoing document is true and correct copy of the  
☐ electronic docket in the captioned case  
☐ original filed in my office on 4/20/05  
By: Sarah A. Thomson  
Deputy Clerk  
DISTRICT OF MASSACHUSETTS

Pursuant to 28 U.S.C. §§ 1331, 1332(a), 1332(d), and 1453, and Pub. L. 109-2, defendants Full Spectrum Inc. (n/k/a Full Spectrum Lending, a division of Countrywide Home Loans, Inc. ("Full Spectrum")) and Countrywide Home Loans, Inc. ("Countrywide") (collectively "Defendants") hereby remove the above-captioned action, now pending as Civil Action No. 05-00310 in the Superior Court for Norfolk County, Massachusetts, to this Court. As grounds for removal, Defendants state as follows:

**Background**

1. Plaintiff Berin Lockwood ("Plaintiff") filed this putative nationwide class action lawsuit on or about February 24, 2005, in the Superior Court for Norfolk County, Massachusetts (the "State Court Action"). The State Court Action was assigned Civil Action No. 05-00310.

2. In the State Court Action, Plaintiff alleges, on behalf of himself and a putative nationwide class consisting of all borrowers whose mortgage loans are or have been "owned or serviced" by Defendants, that Defendants violated (a) numerous federal laws, including 12 U.S.C. §§ 2601-17 and 15 U.S.C. § 1601 *et seq.*, and related federal regulations, (b) numerous

state laws, including G.L. c. 93A, § 9, and G.L. c. 140D, and (c) common law principles in how Defendants originated and serviced home mortgage loans. See generally Complaint (February 24, 2005) (“Complaint”) (a true and correct copy of which is included as part of Exhibit A hereto). Based upon these purported violations, Plaintiff “seeks rescission [of all putative class members’ loans], restitution, multiple damages, ... attorney’s fees[, and] ... injunctive relief,” as well as statutory and compensatory damages, disgorgement and other relief for himself and for each putative class member. Complaint, ¶ 1, Prayers for Relief ¶¶ 1-4. Plaintiff alleges that “there are probably 5,000 Class Members in Massachusetts alone [and] many more Class Members throughout the United States.” Complaint, ¶ 30.

#### **Removability and Jurisdiction**

3. This Court has subject matter jurisdiction over this lawsuit pursuant to 28 U.S.C. § 1331 (federal question jurisdiction), the “Class Action Fairness Act of 2005,” Pub. L. 109-2, codified in relevant part at 28 U.S.C. §§ 1332(d) and 1453 (the “Act”), and 28 U.S.C. § 1332(a) (diversity jurisdiction).

#### **Federal Question Jurisdiction**

4. This Court has jurisdiction over Plaintiff’s putative class action because it arises under the laws of the United States.

5. This case arises from the origination and the servicing of Plaintiff’s mortgage loan. The Complaint alleges that Defendants engaged in improper mortgage loan origination practices, including but not limited to, the failure to provide Plaintiff with a “good faith estimate” of loan settlement charges and a loan commitment letter, and the charging of improper and/or excessive loan fees. Complaint, ¶¶ 7-11. Plaintiff also alleges that Defendants failed respond to “qualified written requests” when servicing a loan. Complaint, ¶ 34(f).

6. Plaintiff states that he “seeks rescission and restitution ... and injunctive relief as the defendants violated” the Real Estate Settlement Procedures Act, 12 U.S.C. §§ 2601 *et seq.* (“RESPA”), the federal regulations under RESPA, 24 C.F.R. Part 3500, the Truth In Lending Act, 15 U.S.C. §§ 1601 *et seq.* (“TILA”), and the federal regulations under TILA, 12 C.F.R. Part 26. Complaint, ¶¶ 1, 34(b).

7. Plaintiff identifies as a legal question as to which he intends to pursue relief “[w]hether Lender fails to timely provide, after a qualified written report has been made of it, written responses that address each of the issues raised in said request.” Complaint, ¶ 34(f). In so doing, Plaintiff plainly is invoking the federal law requirement that loan servicers respond timely and appropriately to so-called “qualified written requests,” and can be sued in state or federal court in a class action for having failed to do so. 12 U.S.C. § 2605(f)(2); 24 C.F.R. Part 3500 *et seq.*

8. This Court possesses original jurisdiction in all cases arising under the laws of the United States. 28 U.S.C. § 1331. Plaintiff’s Complaint arises under the laws of the United States because RESPA and TILA (and their governing regulations) are laws of the United States and Plaintiff seeks recovery under those laws.

9. The Court has supplemental jurisdiction over Plaintiff’s claims under G.L. c. 93A and 140D as well as Plaintiff’s common law claims because they are so related to the federal claims that they form part of the same cause or controversy. 28 U.S.C. § 1367. Plaintiff’s claims do not raise novel or complex issues of state law and Plaintiff’s state law claims do not substantially predominate over his federal claims. See 28 U.S.C. § 1367(c).

**“Class Action Fairness Act” Jurisdiction**

10. This Court has original jurisdiction over Plaintiff’s putative class action under the “Class Action Fairness Act,” codified in relevant part at 28 U.S.C. §§ 1332(d) and 1453.

11. Pursuant to the Act, a putative “class action” commenced after February 18, 2005 — i.e., the effective date of the Act — may be removed to the appropriate United States District Court if (a) any member of the putative class is a citizen of a state different from any defendant, and (b) the amount in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs. 28 U.S.C. § 1332(d)(A).

12. This Court has jurisdiction over the State Court Action under 28 U.S.C. § 1332(d) because all of the requirements for such jurisdiction are met.

13. First, the Act is applicable to the State Court Action because the Action was commenced after the effective date of the Act. 28 U.S.C. § 1453 (“The amendments made by this Act shall apply to any civil action commenced on or after the date of enactment of this Act,” — i.e., February 18, 2005.).

14. Second, the State Court Action is a “class action” within the meaning of the Act because it is a “civil action filed under” Mass. R. Civ. P. 23 (see Complaint, ¶ 29) — i.e., Massachusetts’ analog to Fed. R. Civ. P. 23 and a “rule of judicial procedure authorizing an action to be brought by 1 or more representative persons as a class action.” 28 U.S.C. §§ 1332(d)(1)(B), 1453(a).

15. Third, one or more members of the putative class are citizens of states different from Countrywide. Full Spectrum is now a division of Countrywide, having merged into Countrywide in 2004. Countrywide is a New York corporation with its principal place of business in Calabasas, California. As such, Countrywide is deemed to be a citizen of New York

and/or California for purposes of 28 U.S.C. § 1332. By contrast, according to the allegations in the Complaint, Plaintiff is a citizen of Massachusetts and the putative class is alleged to include “5,000 [other] Class Members” from Massachusetts and “many more” from throughout the United States. Complaint, ¶¶ 2, 30. Thus, based upon Plaintiff’s own allegations, it is evident that Countrywide is a citizen of states different from at least one class member. The diversity of citizenship requirement of 28 U.S.C. § 1332(d)(2) and (d)(7) is thus met.

16. Fourth, the amount in controversy at issue in the State Court Action satisfies the Act’s requirement. Under 28 U.S.C. § 1332(d)(6), “[i]n any class action, the claims of the individual class members may be aggregated to determine whether the matter in controversy exceeds the sum or value of \$5,000,000, exclusive of interest and costs.” As set forth in the Complaint, Plaintiff seeks to recover damages for Defendants’ alleged improper mortgage origination and servicing practices. Complaint, ¶ 16. He also purports to bring this action on behalf of “all persons and entities who have or had mortgage loans owned or serviced by [Defendants],” and alleges that there are at least 5,000 Class Members whose damages are similar to his. Complaint, ¶¶ 29-31. In 2004, Full Spectrum and Countrywide collectively closed approximately 1,383,378 loans, and Defendants collectively serviced approximately 6,261,578 loans. For at least the following reasons, singularly and/or in combination, the allegations in the Complaint demonstrate that the amount in controversy exceeds \$5,000,000, exclusive of interest and costs:<sup>1</sup>

- (a) The Complaint alleges that Defendants charged Plaintiff excess loan fees and charges in the amount of \$1,827.75. See Complaint, ¶¶ 11, 20, 31. It further alleges

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<sup>1</sup> Defendants deny all liability against them and deny that Plaintiff and/or the putative class are entitled to or will recover in any amount. Defendants do not concede or admit that, if liability is found, it will exceed \$5,000,000. They instead provide the figures in this Notice to

that Plaintiff's claims are typical and representative of each class member, and each member "sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint." Complaint, ¶ 31. Plaintiff seeks, on behalf of himself and the putative class, disgorgement of the excess fees and charges and requests "a full accounting of all revenues (and interest thereon) and costs incurred." Id., ¶ 22. Disgorgement of \$1,827.75 in excess fees and charges for Plaintiff and the alleged 5,000 putative class members from Massachusetts alone would amount to a total disgorgement of \$9,138,750 in fees. Based on the number of mortgage loans closed by both Defendants nationwide last year, disgorgement of \$1,827.75 in excess fees and charges alleged by Plaintiff would amount to in excess of \$50 million in disgorgement of fees and charges for putative class members who closed their mortgage loans with either Defendant in 2004.<sup>2</sup>

(b) Even if a class member did not incur precisely \$1,827.75 in fees, the \$5,000,000 amount in controversy is still met based upon the allegations of improper fees. The charges alleged in the Complaint to be excessive or improper are common types of charges on mortgage loans originated by Defendants — for example, some appraisal fee and some tax service fee is charged on almost every loan — and the range of charges as alleged for those two fees is common (though Defendants deny charging duplicative or unnecessary fees). If, as alleged, then the class consists of at least 5,001 persons, the excess fees at issue would only need to average \$1,000 for the amount in controversy to be met. Using actual figures for persons who closed a loan with either

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demonstrate that the aggregate "amount in controversy," judged by the alleged (but unproven facts), meets the statutory threshold.

<sup>2</sup> See Note 1, supra.

Defendant during the last year, the average excess fees per class member would need only be approximately \$3.62 to satisfy the jurisdictional threshold. It is reasonably likely under the circumstances that the amount in controversy is met.<sup>3</sup>

(c) The Complaint alleges that Defendants breached Plaintiff's mortgage loan agreement, and that he incurred \$12,126.92 in damages, other than the loan fees, as a result of the alleged breaches. Complaint, ¶¶ 16-17. It further alleges that Plaintiff's claims are typical and representative of each class member, and each member "sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint." Complaint, ¶ 31. Plaintiff seeks, on behalf of himself and the putative class, damages for breach of contract. Complaint, ¶ 18. Breach of contract damages for Plaintiff and the alleged 5,000 putative class members would amount to an award of in excess of \$50 million if each class member sustained the same breach of contract damages as Plaintiff allegedly incurred. Based on the number of mortgage loans closed by both Defendants last year, the award for breach of contract damages for each class member who closed loans with either Defendant in 2004 and sustained \$12,126.92 in damages would also likely amount to in excess of \$50 million.<sup>4</sup>

(d) Even if a class member did not incur precisely \$12,126.92 in damages, the \$5,000,000 amount in controversy is still met based upon the allegation of breach of contract damages. If, as alleged, the class consists of at least 5,001 persons, the breach of contract damages at issue would only need to average \$1,000 for the amount in controversy to be met. Using actual figures for persons who closed a loan with either Defendant during the last year, the average breach of contract damages per class member

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<sup>3</sup> See Note 1, supra.

would only need to be approximately \$3.62 to satisfy the \$5,000,000 jurisdictional requirement of the Act.<sup>5</sup>

(e) The Complaint alleges that Defendants violated G.L. c. 93A, § 9 by willfully committing “unfair trade practices.” Complaint, ¶¶ 23-24. Plaintiff claims that he has incurred \$17,003 in damages and \$9,000 in attorney’s fees and costs as a result of Defendants’ alleged violation. Complaint, ¶¶ 11, 16. The Complaint asserts that Plaintiff’s claims are typical and representative of each class member, and each member “sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint.” Complaint, ¶ 31. In addition to the \$9,000 attorney’s fees and costs he has incurred to date, Plaintiff seeks, on behalf of himself and the putative class, treble damages. Complaint, Prayers for Relief ¶ 3. As a result, Plaintiff’s individual claim is for \$51,009, plus \$9,000 in attorneys’ fees. An award of \$51,000 under G.L. c. 93A, § 9 for Plaintiff and each of the alleged 5,000 putative class members would amount to more than \$50 million; additional attorney’s fees and costs would potentially be awardable. If the amount of attorneys fees and costs is, as alleged, \$9,000 per person, that sum would be approximately \$45 million. Based on the number of mortgage loans closed by both Defendants in Massachusetts last year (approximately 34,667), an award of relief as alleged by Plaintiff to all Massachusetts borrowers would likely amount to in excess of \$50 million. Even if a class member did not incur precisely the same alleged loss, the \$5,000,000 amount in controversy is still met. If, as alleged, the class consists of at least 5,001 persons, the Chapter 93A damages at issue would only need to average \$1,000 (or, \$333.33 in actual damages, trebled) for the amount in

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<sup>4</sup> See Note 1, supra.



controversy to be met. Using actual figures for persons who closed a loan with either Defendant in Massachusetts during the last year, each class member need only allege approximately \$144.23 in actual damages (or, approximately, \$48.08 in actual damages, trebled) to satisfy the jurisdictional requirement.<sup>6</sup>

(f) Plaintiff further alleges that Defendants engage in “bait and switch” transactions, where they allegedly increase the agreed-upon loan interest rate on the eve of loan closing, when Plaintiff and the putative class members have “no choice but to close.” Complaint, ¶¶ 8-10, 17-19, 23, 31, 34. In so doing, Plaintiff asserts, Defendants are able to collect additional loan interest, which Plaintiff seeks to recover in this lawsuit. Id. Though the Complaint is not specific in the amount of such alleged damages, Plaintiff alleges that this interest rate was increased by at least 1.125%, which would result in increased interest payments, over time, of more than \$5,000 per year and probably resulted for him personally in a loss of about \$1,250 (as he refinanced in three months). Complaint, ¶¶ 9, 13. The Complaint asserts that Plaintiff’s claims are typical and representative of each class member, and each member “sustained damages as a result of the wrongful conduct for which [Defendants] are responsible, as described in this complaint.” Complaint, ¶ 31. An award of \$5,000 to the 5001 alleged members of the putative class would exceed \$25 million; an award of \$1,250 to the 5001 alleged members would exceed \$6.25 million. Even if an alleged class member did not incur precisely the same amount of loss as alleged by Plaintiff, the \$5,000,000 amount in controversy is still met. If, as alleged, the class consists of at least 5001 persons, damages in increased interest charges would only need to average \$1,000 for the amount

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<sup>5</sup> See Note 1, supra.

in controversy to be met; it is reasonable to conclude that the class members' average alleged damages easily exceeds that amount, insofar as, for example, a 1% increase in loan interest on a \$100,000 mortgage loan exceeds \$1,000 in one (1) year.<sup>7</sup>

(g) The Complaint seeks rescission of Plaintiff's mortgage loan that he took out on or about August 27, 2004. Complaint, ¶¶ 1, 8. At origination, the amount of Plaintiff's loan was \$450,000. Complaint, ¶¶ 6, 14. The Complaint asserts that Plaintiff's claims are typical and representative of each class member, and each member "sustained damages as a result of the wrongful conduct for which [Defendants] are responsible as described in this complaint." Complaint, ¶ 31. The Complaint further alleges that Plaintiff seeks, on behalf of himself and the putative class, rescission of their mortgage loans. Rescission of Plaintiff's and the alleged 5,000 putative class members' mortgage loans would put in excess of \$50 million in loans in controversy if each class member sought rescission of a loan the same value (\$450,000) as Plaintiff's mortgage loan. Based on the number of mortgage loans closed by Defendants last year, rescission of the mortgage loans of each class member who closed loans valued at \$450,000 with either Defendant in 2004 would also likely put the amount in controversy in excess of \$50 million.<sup>8</sup>

(h) Even if a class member did not take out a mortgage loan valued precisely at \$450,000, the \$5,000,000 amount in controversy is still met based upon the allegation of rescission. If, as alleged, the class consists of 5,001 persons, the class member's mortgage loan would only need to average \$1,000 for the amount in controversy to be

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<sup>6</sup> See Note 1, supra.

<sup>7</sup> See Note 1, supra.

<sup>8</sup> See Note 1, supra.

met. Using actual figures for persons who closed a loan with either Defendant during the last year, the average amount of a loan would only need to be approximately \$144.23 to satisfy the \$5,000,000 jurisdictional requirement of the Act.<sup>9</sup>

(i) As noted above, the Complaint asserts that the putative class consists of at least 5,001 members. Complaint, ¶ 30. Plaintiff claims that the putative class members incurred “substantial money damages” as a result of Defendants’ alleged improper mortgage originating and servicing practices. Based on the allegations in the Complaint, each class member need only have \$1,000 in alleged damages to satisfy the \$5,000,000 amount in controversy requirement under the Act.<sup>10</sup>

(j) Finally, as noted above, the Complaint includes vague and generalized allegations concerning purported improper loan servicing by Defendants. For example, Plaintiff alleges that this lawsuit concerns Defendants’ purported (a) improper charging and collection of “service” charges and fees, and (b) failure to respond timely to alleged “qualified written request[s]” seeking loan information. See, e.g., Complaint, ¶ 34. Based upon these (and other similar) allegations, Plaintiff seeks to represent a class consisting on all “persons and entities who have or had mortgage loans owned or serviced” by Defendants over an unspecified period of time. Complaint, ¶ 29. In 2004 alone, Defendants serviced over 6 million loans. Given this, and based upon the allegations in the Complaint, each class member need only have less than \$1.00 in alleged damages to satisfy the \$5,000,000 amount in controversy requirement under the Act.<sup>11</sup>

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<sup>9</sup> See Note 1, supra.

<sup>10</sup> See Note 1, supra.

<sup>11</sup> See Note 1, supra.

10. In light of Plaintiff's allegations that the putative class members, of which there are alleged to be at least 5,001, incurred "substantial money damages," including "actual and statutory damages," "treble damages," and "restitution based on unjust enrichment and disgorgement of funds unjustly obtained" as a result of Defendants' alleged improper mortgage origination and servicing practices, and based on the entirety of the Complaint as pled, it is reasonably likely that the aggregate amount in controversy exceeds \$5,000,000, exclusive of interest and costs.<sup>12</sup>

### **Diversity Jurisdiction (pre-CAFA standards)**

#### **Diversity of Citizenship**

17. Diversity of citizenship exists between the parties pursuant to 28 U.S.C. § 1332(a)(1), because the parties are citizens of different states.

18. Plaintiff is a citizen of Massachusetts, and has been since he filed the State Court Action. Plaintiff resides at 14 Everett Street, Norfolk, MA, and intends to stay at that residence. Complaint, ¶¶ 2 (alleging Plaintiff's residence), 30 (detailing Plaintiff's desire to represent Massachusetts residents, among other class members). Bank One, Texas, N.A. v. Montle, 964 F.2d 48, 49 (1st Cir. 1992).

19. Full Spectrum is now a division of Countrywide, and Countrywide is a citizen of New York and California. Thus, Defendants are citizens of New York and California for purposes of determining diversity jurisdiction. See 28 U.S.C. § 1332(c)(1) (defining corporate citizenship).

20. Neither Full Spectrum nor Countrywide is a citizen of Massachusetts, where the State Court Action was brought. See 28 U.S.C. § 1441(b).

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<sup>12</sup> Defendants reserve their right to state additional reasons why the jurisdictional threshold is met, and to offer additional evidence in support of such reasons and this Notice.

Amount in Controversy

21. The amount in controversy in this case, exclusive of interest and costs, exceeds \$75,000.

22. Whether the amount in controversy is met for the purposes of diversity jurisdiction depends on the claims of the named-plaintiff. Coventry Sewage Assocs. v. Dworkin Realty, Co., 71 F.3d 1, 6 (1st Cir. 1995). The allegations in the Complaint make it clear that Plaintiff's claims exceed \$75,000.

(a) Rescission. Plaintiff seeks rescission of his mortgage loan. Complaint, ¶ 1. Plaintiff alleges that the loan was taken out on or about August 27, 2004. Id., ¶ 8. At origination, the amount of the loan was \$450,000. Id., ¶ 6, 14. The amount of the loan at issue is considered part of the amount in controversy when rescission is requested. See, e.g., Rosen v. Chrysler Corp., 205 F.3d 918, 921 (6th Cir. 2000) (“[W]here a plaintiff seeks to rescind a contract, the contract’s entire value, without offset, is the amount in controversy.”) (citing Fifth, Seventh, and Ninth Circuit cases); Weddington v. Ford Motor Credit Co., 59 F. Supp. 2d 578, 584 (S.D. W. Va. 1999)

(b) Disgorgement. Plaintiff claims that Defendants “engaged in unfair mortgage practices” by collecting “monies that were not due and owing under applicable contract law because the contract or applicable law does not permit [Defendants] to collect such unreasonable fees and charges.” Complaint, ¶¶ 19-20. According to the Complaint, Plaintiff seeks, on behalf of himself and “other class members,” disgorgement of “all the profits earned from the said funds” and “a full accounting of all revenues (and interest thereon) and costs incurred.” Id., ¶ 21-22. The alleged disgorgement of the fees, if proven, would likely exceed \$75,000, and for purposes of removal are attributable to

the named plaintiff. In re Microsoft Corp. Antitrust Litig., 127 F. Supp. 2d 720-21 (D. Md. 2001) (attributing amount of demanded disgorgement to representative plaintiff because that party may “recover the entire unjust benefit obtained by the defendant” in addition to his individual damages).

(c) Equitable Relief. Plaintiff also seeks “injunctive relief” as a result of Defendants’ alleged violations of various federal and state statutes. Complaint, ¶ 1. For purposes of ascertaining the amount in controversy, the value of Plaintiff’s claims for equitable relief may be measured by Defendants’ costs of compliance. In re Microsoft Corp., 127 F. Supp. 2d at 718-19. The value of Plaintiff’s demand for injunctive relief would, if supported, exceed \$75,000 because it would require not only changes in Defendants’ procedures but also internal expenses and costs, and losses, the collective value of which would exceed that amount.

(d) Damages. Plaintiff claims that he has incurred \$17,003.62 in damages and costs as a result of Defendants’ alleged improper mortgage origination and servicing practices. Complaint, ¶ 16. He also seeks statutory damages under Chapter 93A in an amount equal to three times that amount (id., Prayers for Relief ¶ 3), and statutory damages under TILA of no more than \$1,000 but not less than \$100. Complaint, ¶ 1, Prayers for Relief ¶ 2.

(e) Attorneys’ Fees. Plaintiff seeks to recover attorneys’ fees awardable under Mass. G.L. c. 93A, § 9. Complaint, ¶¶ 1, 28. See G.L. c. 93A, § 9(3)(A) (entitling injured party to award of attorneys’ fees). The potential award of attorneys’ fees under G.L. c. 93A is included in the amount in controversy for diversity jurisdiction. Spielman v. Genzyme Corp., 251 F.3d 1, 7 (1st Cir. 2001) (recognizing that attorneys’ fees

awarded under G.L. c. 93A, §4 may be included in the amount in controversy determination). Plaintiff claims that amount is \$9,000. Complaint, ¶ 16.

#### Supplemental Jurisdiction

23. The individual claims of the absent members of the putative class exceed \$75,000, exclusive of interest and costs. The Complaint alleges that all damages and other awards sought for the named Plaintiff are also being sought on behalf of the putative class. Complaint, ¶¶ 1, 17-18, 22, 28, Prayers for Relief ¶¶ 1-4. Because the amounts requested by the named Plaintiff's claims satisfy the jurisdictional threshold, so too do the claims of the absent class members.

24. Alternatively, if the jurisdictional amount is not satisfied as to the absent putative class members, removal of this putative class action is proper because this Court may exercise supplemental jurisdiction over absent class members under 28 U.S.C. § 1367. See, e.g., Payne v. Good year Tire & Rubber Co., 229 F. Supp. 2d 43, 52 (D. Mass. 2002); Rosmer v. Pfizer, Inc., 263 F.3d 110 (4th Cir. 2001); Gibson v. Chrysler Corp., 261 F.3d 927 (9th Cir. 2001); Stromberg Metal Works Inc. v. Press Mech., Inc., 77 F.3d 928 (7th Cir. 1996); In re Abbott Labs., 51 F.3d 524 (5th Cir. 1995).

25. Based on the foregoing, this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1331, 1332, and/or 28 U.S.C. § 1367.

#### Compliance with the Removal Statute and Local Rules

26. As set forth in 28 U.S.C. § 1453(b), “[a] class action may be removed to a district court of the United States in accordance with section 1446 . . . without regard to whether any defendant is a citizen of the State in which the action is brought, except that such action may be removed by any defendant without the consent of all defendants.” Accordingly, the State Court

Action may be removed without regard to whether any defendant is a citizen of Massachusetts (which they are not), and it may be removed without the consent of all defendants.

27. Attached hereto as Exhibit A is a copy of all process, pleadings, and orders served upon defendant Full Spectrum, namely the Summons and Complaint. See 28 U.S.C. § 1446(a).

28. Attached hereto as Exhibit B is a copy of all process, pleadings and orders served upon defendant Countrywide in the State Court Action, namely the Summons and Complaint. See 28 U.S.C. § 1446(a).

29. Full Spectrum received by service the Summons and Complaint on March 2, 2005, and Countrywide received by service the Summons and Complaint on March 2, 2005. Receipt of the summons and complaint by each defendant was the first notice of the State Court Action or federal jurisdiction received by each defendant. Defendants file this Notice of Removal with the United States District Court for the District of Massachusetts on April 1, 2005, within 30 days after receipt by Defendants of the State Court Action Summons and Complaint. See 28 U.S.C. § 1446(b).

30. Attached hereto as Exhibit C is a copy of the Notice of Removal to All Adverse Parties, which will be promptly served upon Plaintiffs' counsel and filed with the Clerk of the Superior Court for Norfolk County, Massachusetts. See 28 U.S.C. § 1446(d).

31. Defendants will also file with the Clerk of the Superior Court for Norfolk County, Massachusetts a Notice of Filing of Notice of Removal, pursuant to 28 U.S.C. § 1446(d). A copy of the Notice of Filing of Notice of Removal is attached hereto as Exhibit D.

32. This Notice of Removal is signed pursuant to Fed. R. Civ. P. 11. See 28 U.S.C. § 1446(a).

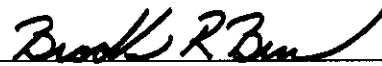


WHEREFORE, this action should proceed in the United States District Court for the District of Massachusetts, as an action properly removed thereto.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,



Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000

Brooks R. Brown (BBO# 634144)  
GOODWIN PROCTER LLP  
Exchange Place  
53 State Street  
Boston, MA 02109  
(617) 570-1000

Dated: April 1, 2005

CERTIFICATE OF SERVICE

I hereby certify that a true copy of  
the above document was served upon  
(each party appearing pro se and) the  
attorney of record for each other party  
by mail (~~by hand~~) on April 1, 2005.



A TRUE COPY

Attest:

  
Lorraine A. Foster  
Deputy Assistant Clerk

5/3/05

A

(TO PLAINTIFF'S ATTORNEY: PLEASE CIRCLE TYPE OF ACTION INVOLVED:  
TORT - MOTOR VEHICLE TORT - CONTRACT -  
EQUITABLE RELIEF - OTHER.)

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

SUPERIOR COURT  
CIVIL ACTION

NO. 05 00310

HERBY LOCKWOOD, Individually and  
on behalf of Class Members ..... Plaintiff(s)

v.

FULL SPECTRUM LENDING, INC., and  
COUNTRYWIDE HOME LOANS, INC. .... Defendant(s)

SUMMONS

To the above-named Defendant: FULL SPECTRUM LENDING, INC.

You are hereby summoned and required to serve upon Evans J. Garter, Esq.,  
plaintiff's attorney, whose address is P.O. Box 966, Framingham, MA 01701-0966, an answer to the com-  
plaint which is herewith served upon you, within 20 days after service of this summons upon you,  
exclusive of the day of service. If you fail to do so, judgment by default will be taken against you  
for the relief demanded in the complaint. You are also required to file your answer to the com-  
plaint in the office of the Clerk of this court at Dedham either before service upon plaintiff's attorney  
or within a reasonable time thereafter.

Unless otherwise provided by Rule 13(a), your answer must state as a counterclaim  
any claim which you may have against the plaintiff which arises out of the transaction or occur-  
rence that is the subject matter of the plaintiff's claim or you will thereafter be barred from making  
such claim in any other action.

BARBARA J. ROUSE, Esquire

WITNESS, SUZANNE V. DEVEGNETTE, Esquire, at Dedham, MA the 24th

day of February in the year of our Lord two thousand and five

*Valerie L. Smith* Clerk

NOTES:

1. This summons is issued pursuant to Rule 4 of the Massachusetts Rules of Civil Procedure.
2. When more than one defendant is involved, the names of all defendants should appear in the caption.  
If a separate summons is used for each defendant, each should be addressed to the particular defendant.

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, SS

SUPERIOR COURT DEPARTMENT  
OF THE TRIAL COURT  
CIVIL ACTION NO. 05- 310 C

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,  
Plaintiff

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,  
Defendants

**COMPLAINT, JURY CLAIM AND  
REQUEST FOR CLASS CERTIFICATION**

**I. Introduction and Overview of Action**

1. Plaintiff brings this action on behalf of himself and on behalf of all others similarly situated, specifically, consumers who have or have had residential mortgage loans with either or both of the defendants. This complaint seeks rescission and restitution, multiple damages and attorney's fees pursuant to G.L. Chapter 93A, Section 9, and injunctive relief as the defendants have violated 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Services), 15 USC § 160/et seq. (TILA), 12 CFR Part 26 (Regulation X), G.L. Chapter 140D (Mass. Consumer Credit Cost Disclosure), and G.L. Chapter 93, § 70 (Certification). The plaintiff is seeking in this complaint to certify a nationwide class action. Massachusetts has jurisdiction over this action as the defendants do business here and filed numerous complaints in the Trial Court. The Superior Court has exclusive jurisdiction because a request for a class action under G.L. Chapter 93A, Section 9 is being prayed for and the District Court Department has no jurisdiction.

**II. Parties**

2. The plaintiff, Berin Lockwood, resides at 14 Everett Street, Norfolk, Norfolk County, Massachusetts, and he formerly resided in Ontario, Canada.
3. The defendant, Full Spectrum Lending, Inc., is a corporation with its executive offices in Pasadena, California, and a Massachusetts office at 50 Braintree Hill Road, Braintree, Norfolk County, Massachusetts, and it is owned or is a subsidiary of Countrywide Financing Corporation.
4. The Defendant, Countrywide Home Loans, Inc., is a corporation with its offices in Sims Valley, California and it is owned by or is a subsidiary of Countrywide Financial Corporation. Both Full Spectrum Lending, Inc. and Countrywide Home Loans, Inc. are hereinafter referred to, collectively, as the "Lender."

5. The plaintiff was living in Canada with his wife and entered into an agreement to purchase a home on or about July 22, 2004 located at 14 Everett Street, Norfolk, Massachusetts, and he spoke with Harold Bean of the Lender in order to obtain mortgage financing.
6. Mr. Bean told the plaintiff that he could get a 5.25% mortgage loan in the principal amount of \$450,000 for him and that no rate lock-in agreement or documentation would be needed but later, Mr. Bean advised that the best he could do would be 6%.
7. No good faith estimate of the settlement charges were provided to the plaintiff, as required by law, nor was any loan commitment letter sent to the plaintiff.
8. At the real estate closing, which took place on or about August 27, 2004, a classic bait and switch practice was completed.
9. The mortgage loan product given to the plaintiff did not have a rate of interest at 6% fixed interest for 30 years but, rather, was a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The Truth-in-Lending Disclosure Statement at the closing stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
10. The plaintiff literally had no choice but to close as he had made firm arrangements to move and he would have lost his home deposit in an amount of \$53,000.
11. In addition, the settlement statement provided for improper and/or excess fees and unreasonable charges were collected, such as, but not limited to:
  - a. \$535 Processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners' title insurance that was not requested (line 1110);
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300, and both were collected; and
  - d. Tax services charge of \$79 (line 809) but the loan had no real estate tax escrow account and, in any event, should have refunded on some basis because it was not utilized.

A copy of the Settlement Statement is annexed hereto and marked as Exhibit A.

12. Neither at the closing nor to date, was a legal opinion, as required by G.L. Chapter 93, Section 70, provided to the plaintiff.
13. As soon as reasonably practicable, the plaintiff applied for a new mortgage loan, which he obtained, and he had the mortgage loan refinanced and the lender paid off by on or about November 29, 2004 so the mortgage loan to the Lender was only outstanding for three (3) months. A copy of the lender's payoff letter of November 17, 2004 is annexed hereto and

marked as Exhibit B.

14. On or about December 13, 2004, after the \$450,000 mortgage loan had been paid in full, the Lender sent a check for \$87.78 marked "escrow balance refund," but no real estate tax escrow or any other type of escrow account was disclosed to the plaintiff.
15. On or about December 17, 2004, the plaintiff caused a G.L. Chapter 93A demand letter to be sent to the Lender, a copy of which is annexed hereto and marked as Exhibit C.
16. By the above-stated actions, the plaintiff has incurred damages and costs as follows:

1. Needless costs, fees and expenses to:

- i) The Lender ..... \$ 4,876.70
- ii) Mortgage payments made ..... 12,126.92
- iii) Attorney's fees and costs (to date) ..... 9,000.00

Total \$16,003.62

### COUNT I

#### *(Breach of Contract)*

The plaintiff incorporates by reference and realleges paragraphs 1 through 16, inclusive, as if fully set forth herein.

17. By the above-stated actions, the Lender has breached the agreements with the plaintiff whereby the plaintiff has been, as well as the other class members, caused to incur substantial money damages.

### COUNT II

#### *(Breach of Covenant of Good Faith and Fair Dealing)*

The plaintiff incorporates by reference and realleges paragraphs 1 through 17, inclusive, as if fully set forth herein.

18. The Lender owed to the plaintiff and the class members a covenant of good faith and fair dealing and by the above-stated actions, the Lender breached the same which caused damages to the plaintiff and the other class members.

**COUNT III**

**(Disgorgement of Wrongful Profits and for an Accounting)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 18 inclusive, as if fully set forth herein.

19. The Lender has engaged in unfair mortgage practices.
20. The Lender has collected monies that were not due and owing under applicable contract law because the contract or other applicable law does not permit them to collect such unreasonable fees and charges.
21. This claim is for disgorgement of the unjust enrichment to the Lender.
22. The plaintiff and the other class members have suffered monetary losses by virtue of the Lender's conduct and they request a full accounting of all revenues (and interest thereon) and costs incurred as well as the disgorgement of all profits earned from the said funds.

**COUNT IV**

**(Unfair Trade Practices, G.L. Chapter 93A)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 22 inclusive, as if fully set forth herein.

23. By the above-stated actions, the Lender has committed unfair trade practices in violation of General Laws, Chapter 93A, Section 9, as well as violating numerous rules and regulations and statutes.
24. The above-stated actions were done knowingly, willfully, intentionally and/or recklessly by the Lender.
25. The Lender conducts trade or commerce in Massachusetts so as to come within the purview of G.L. Chapter 93A.
26. On or about December 17, 2004, the plaintiff caused a so-called G.L. Chapter 93A demand letter to be served on the Lender (Exhibit C).
27. On or about December 23, 2004, January 10, 2005 and January 17, 2005, amendments to the demand letter were caused to be served on the Lender, a copy of each of which is annexed hereto and marked as Exhibit D, E and F respectively.

28. As a direct result of the Lender's unfair trade practices, as above-stated, the plaintiff and the other class members have incurred monetary damages plus interest, costs and reasonable attorney's fees.

### COUNT V

#### (Class Action Certification)

The plaintiff incorporates by reference and reallege paragraphs 1 through 28 inclusive, as if fully set forth herein.

29. The plaintiff brings this action as a class action pursuant to Rule 23 of the Massachusetts Rules of Civil Procedure on behalf of all persons and entities who have or had mortgage loans owned or serviced by the Lender (collectively "Class" or "Class Members").
30. Based on conversations with some mortgage brokers, it is estimated that there are probably in excess of 5,000 Class Members in Massachusetts alone many more Class Members throughout the United States.
31. The plaintiff's claims are typical of the claims of the Members of the Class. The plaintiff and all members of the Class sustained damages as a result of the wrongful conduct for which the Lender is responsible as described in this complaint.
32. The plaintiff will fairly and adequately protect the interests of the Members of the Class and he has retained counsel competent and experienced in class action litigation.
33. A class action is superior to other available methods for the fair and effect adjudication of this controversy. The damages suffered by many individual Class Members are relatively small, albeit significant, and many, especially those who closed down, do not have the financial ability to proceed individually. Thus, the expense and burden of individual litigation makes it impractical for many Class members individually to seek redress for the wrongful conduct alleged in this action.
34. Common questions of law and fact exist as to all Members of the Class and predominate over any questions solely affecting individual Members of the Class. Among the questions of law and fact common to the Class are:
- a. Whether the Lender breached its obligations and duties owed with regard to home mortgage loan accounts;
  - b. Whether the Lender has breached state and federal statutes and regulations, such as 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Servicing), 15 USC §§ 7601, et seq., 12 CFR Part 26 (Regulation XI, G.L. Chapter 140D (MCCCD) and G.L. Chapter 93, Section 7D (Title Certification).



- c. Whether the Lender has committed unfair trade practices in Massachusetts and in other states which now all have so-called "baby F.T.C." unfair trade practices statutes;
  - d. Whether the Lender has unreasonably imposed and collected service charges for services that were not performed or only partially performed; and
  - e. Whether the Lender wrongfully assesses and collects unilaterally imposed unfair or unreasonable fees and charges;
  - f. Whether the Lender fails to timely provide, after a qualified written request has been made of it, written responses that address each of the issues raised in said request.
35. The plaintiff knows of no difficulty which will be encountered in the management of this litigation which would preclude its maintenance as a Class Action.
  36. Certifying this as a class action would resolve these issues for all potential plaintiffs without the necessity of filing individual lawsuits. Additionally, class certification in this matter would not impose any significant burden upon the Court.
  37. In this case, the certification of the class is appropriate where it would not complicate or delay disposition of the case and the Lender would suffer no prejudice as a result of certification and where certification would assure the class members that the Lender would not evade its responsibility in implementing any Court orders.
  38. The names and addresses of all Class Members are available from the Lender and notice will be provided to Class Members via first-class mail, using techniques and a notice approved by this court.

#### **PRAYERS FOR RELIEF**


WHEREFORE, plaintiff, on his own behalf and on the behalf of others similarly situated (Class Members) prays for judgment as follows:

1. Declare this action to be a Class Action.
2. Award to the plaintiff and to all Class Members compensatory damages in an amount which may be proven at trial and actual and statutory damages, together with prejudgment interest at the maximum rate allowed by law.
3. Award to the plaintiff and to all Class Members treble damages as well as restitution based on unjust enrichment and disgorgement of funds unjustly obtained.
4. Award to the plaintiff his costs and expenses incurred in this action, including reasonable attorney, accountant and expert fees.

5. Award to plaintiff and to all Class Members such other and further relief as this court may deem meet, just and proper.

**THE PLAINTIFF CLAIMS A TRIAL BY JURY ON ALL ISSUES SO TRIABLE.**

BERIN LOCKWOOD, Plaintiff  
By his Attorney



---

Evans J. Carter, Esq. (BBO # 076560)  
Hargraves, Karb, Wilcox & Galvani, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966  
(508) 620-0140

Dated: February 18, 2005

**A Settlement Statement****U.S. Department of Housing  
And Urban Development**

HUD-1 (3/88) OMB No. 2502-0265

**B Type of Loan**

☐ FHA    2. ☐ FmHA    3. ☒ CONV. UNINS.  
☐ VA    5. ☐ CONV. INS.

6. File Number:

7. Loan Number:

8. Mortgage Ins. Case No.:

68114669

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name and Address of Borrowers:

Berin Lockwood

125 Pugsley Avenue

Apt. 516

Richmond Hill

Ont.

F. Name and Address of Lender:

Full Spectrum Lending

500 Edgewater Park, Suite 568

Wakefield, MA 01880

E. Name and Address of Sellers:

James W. Sewell

Carolyn A. Sewell

14 Everett Street

Norfolk

MA 02056

H. Settlement Agent:

Gary F. Kinsella

22 Summer Street

Boston, MA 02125

G. Property Location:

14 Everett Street

Norfolk

MA

02056

I. Settlement Date:

08/27/2004

Place of Settlement:

Gary F. Kinsella Atty. at Law  
22 Summer Street Dorchester, MA 02125**J. Summary of Borrower's Transaction****K. Summary of Seller's Transaction**

100. Gross Amount Due From Borrower		400. Gross Amount Due To Seller	
101. Contract sales price	530,000.00	401. Contract sales price	530,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	4,876.70	403.	
104. Appraisal Fee to Appraisals	300.00	404.	
105.		405.	
Adjustments for items paid by seller in advance		Adjustments for items paid by seller in advance	
106. City/town taxes 08/27/2004 to 09/30/2004	541.51	406. City/town taxes 08/27/2004 to 09/30/2004	541.51
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	
120. Gross Amount Due From Borrower	\$535,718.21	420. Gross Amount Due To Seller	\$530,541.51
200. Amounts Paid By Or In Behalf Of Borrower		500. Reductions In Amount Due To Seller	
201. Deposit or earnest money	52,000.00	501. Excess deposit (see instructions)	25,500.00
202. Principal amount of new loan(s)	450,000.00	502. Settlement charges to seller (line 1400)	29,343.80
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff 1 Countrywide Home Loans	109,737.65
205.		505. Payoff 2	
206.		506.	
207.		507.	
208.		508.	
209.		509.	
Adjustments for items unpaid by seller		Adjustments for items unpaid by seller	
210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	
220. Total Paid By/For Borrower	\$502,000.00	520. Total Reductions Amount Due Seller	\$164,581.45
300. Cash At Settlement From/To Borrower		600. Cash At Settlement To/From Seller	
301. Gross amount due from borrower (line 120)	\$535,718.21	601. Gross amount due to seller (line 420)	\$530,541.51
302. Less amount paid by/for borrower (line 220)	(\$502,000.00)	602. Less reductions in amount due seller (line 520)	(\$164,581.45)
303. CASH <input checked="" type="checkbox"/> FROM <input type="checkbox"/> TO BORROWER:	\$33,718.21	603. CASH <input checked="" type="checkbox"/> TO <input type="checkbox"/> FROM SELLER:	\$365,960.06

Buyer's Initials

BA

**EXHIBIT**

tabler

A

Seller's Initials

Jed C.S.

1030

## Settlement Statement Page 2

L. Settlement Charges			Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price	530,000.00 @ 5.0000 % = 26,500.00			
Division of Commission (line 700) as follows:				
701. 15,900.00	to Re/Max Landmark			
702. 10,600.00	to Re/Max Executive			26,500.00
703. Commission paid at Settlement				
704.				
900. Items Payable in Connection With Loan				
801. Loan Origination Fee	%			
802. Loan Discount	%		75.00	
803. Appraisal Fee to Appraisals Unlimited			35.00	
804. Credit Report to LandSafe				
805. Lender's Inspection Fee				
806. Mortgage Insurance Application Fee				
807. Assumption Fee			25.00	
808. Flood Certification to Landsafe Flood			79.00	
809. Tax Service Fee to Countrywide Tax Service			535.00	
810. Processing Fee to Full Spectrum Lending				
811.				
812.				
813.				
814.				
815.				
900. Items Required By Lender To Be Paid In Advance				
901. Interest from	08/27/2004 to 08/31/2004 @ 87.64 / day		439.20	
902. Mortgage Insurance Premium for	mo. to			
903. Hazard Insurance Premium for	yrs. to			
904.	yrs. to			
1000. Reserves Deposited With Lender				
1001. Hazard Insurance	months @	per month		
1002. Mortgage Insurance	months @	per month		
1003. City property taxes	months @ 484.44	per month		
1004.	months @	per month		
1005.	months @	per month		
1006.	months @	per month		
1007.	months @	per month		
1008. Aggregate Adjustment				
1100. Title Charges			695.00	
1101. Settlement or closing fee to	Gary P. Kinsella, Esquire		150.00	
1102. Abstract or file search to	Quirk Associates		75.00	
1103. Title examination to	Gary P. Kinsella, Esq.			
1104. Title insurance binder to				
1105. Document preparation to				
1106. Notary fees to				
1107. Attorney's fees to				
(Includes above Item Numbers:			2,140.50	
1108. Title Insurance to	First American Title Insurance Company			
(Includes above Item Numbers:				
1109. Lender's coverage	450,000.00	Loan Premium: \$1,311.75		
1110. Owner's coverage	530,000.00	Owner's Premium: \$628.75		
1111. Rundown and Record to Quirk Associates			50.00	
1112.				
1113. Title Agent Commission \$1,498.35	70%			
1200. Government Recording and Transfer Charges				
1201. Recording fees: Deed 126.00	Mortgage 176.00	Releases 152.00	302.00	152.00
1202. City/county tax stamps: Deed	Mortgage		0.00	2,426.80
1203. State tax/stamps: Deed 2,426.80	Mortgage		91.00	
1204. Obtain and Record MLC to Town of Norfolk/Norfolk Deeds				
1300. Additional Settlement Charges			150.00	
1301. Survey to	Northstar Co.			
1302. Pest inspection to			35.00	25.00
1303. Overnight Delivery Fees to FedEx				125.00
1304. Mortgage Discharge Fee to Gary P. Kinsella/ATG				125.00
1305. Drafting of Deed to Gary P. Kinsella, Esq.				
			\$4,876.70	\$29,343.80

1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement (Pages 1 and 2).

Borrowers

Berlin Lockwood  
Berlin Lockwood

Sellers

James W. Sewell  
James W. Sewell  
Carolyn A. Sewell  
Carolyn A. Sewell

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of the transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent

Gary P. Kinsella, Esquire

Date 08/27/2004

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment.

**Countrywide Home Loans Servicing LP**

Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 972-6607  
 972-628-1115

**PAYOFF DEMAND STATEMENT**  
 Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

Chl Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-817-327-2745

Escrow #

**Property Address:**

Berlin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114689-2  
 Case #

Principal Balance as of 11/01/2004  
 Interest from 11/01/2004 to 11/30/2004  
 \*Statement Fees  
 County Recording Fee

\$ 449,278.16  
 2,543.35  
 30.00  
 75.00

**Total Payoff Due on Loan No. 68114689** \$ **451,926.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7018	11/01/2004	11/30/2004	7.125 %

<sup>1</sup>Daily Interest Daily Interest = Principal Balance x Interest Rate ÷ 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES  
 AFTER NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or  
**MAILED FUNDS ONLY.** They MUST reference the Countrywide loan number, property address and  
 owner's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check  
 sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or  
 return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following  
 business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berlin Lockwood  
 Loan Number: 68114689-2.

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

call 1-800-669-5833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

**EXHIBIT**

331 d, CF 1020 4/9/2004

tabular

B

Countrywide Home Loans Servicing LP  
Payoff Demand Statement Page 2

Account No.: 68114669-2  
Customer Name: Berin Lockwood

Payoff amount is subject to change for various reasons, including but not limited to the following:  
• You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)  
• Your payment has been returned to us by your financial institution for any reason.  
• A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.  
• Potential collection charges that may be applied if your account is past due.  
• Late charges for delinquent payments received after: 12/16/2004.

**IF COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor póngase en contacto con nuestro Departamento de Servicio al Cliente al 1-800-295-0625.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's written payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement (maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to have our electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is complete may result in excess funds being drafted from your financial account. These funds will be returned with any additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

December 17, 2004

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Gregory Allen Lumsden, President  
FULL SPECTRUM LENDING, INC.

35 N. Lake Avenue  
Pasadena, CA 91101

and

4500 Park Granada  
Calabasas, CA 91302

Branch Manager  
FULL SPECTRUM LENDING, INC.

50 Braintree Hill Avenue  
Braintree, MA 02184

Branch Manager  
FULL SPECTRUM LENDING, INC.

500 Edgewater Drive, Suite 568  
Wakefield, MA 01880

President  
COUNTRYWIDE HOME LOANS, INC.

P.O. Box 10423  
Van Nuys, CA 91410-0423

and

400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Gentlemen/Ladies:

I have been retained by the above-named Berin Lockwood to review the above-stated mortgage loan documentation. I have opined that your respective companies have committed unfair trade practices in violation of M.G.L. Chapter 93A as well as violations of, among other laws:

- a. Federal Consumer Credit Cost Disclosure Act (TILA) 15 USC §§ 1601 et seq. And Regulation X (12 C.F.R., part 226);
- b. Massachusetts Consumer Credit Cost Disclosure, M.G.L. Chapter 140D;
- c. Federal Real Estate Settlement Procedures Act ("RESPA") 12 USC §§ 2601-17 and Regulation X (24 C.F.R. part 3500); and
- d. M.G.L. Chapter 93, Section 70 (Certification of Title to Mortgaged Premises).





HARGRAVES, KARB, WILCOX & GALVANI, LLP

Full Spectrum Lending, Inc.

Countrywide Home Loans, Inc.

Page No. 2

December 17, 2004

To-wit:

1. No good faith estimate of settlement charges prior to the closing was provided to Mr. Lockwood, as required by law.
2. Mr. Lockwood was informed that Countrywide Home Loans, Inc., and not Full Spectrum Lending, Inc., was the lender as Full Spectrum Lending, Inc. is a sub-prime, predatory lender who was unknown to my client until the closing; a classic, outlawed bait and switch technique.
3. The rate of interest was to be 6% fixed interest for 30 years and not a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The TILA Disclosure Statement, at the closing, stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
4. Dave L. Droza of Countrywide Home Loans, Inc., prepared the mortgage loan documents for Full Spectrum Lending, Inc., which established Countrywide Home Loans, Inc., control of the closing, terms, etc.
5. The settlement statement shows that improper and/or excessive fees or charges were collected, such as, but not limited to:
  - a. \$535 processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners to be insured that was not requested (line 1110); and
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300 and both were collected.
6. The Affiliated Business Agreement Disclosure Statement fails to show the arrangement (true state of the ownership, control and drafting of documents) by Countrywide Home Loans, Inc.
7. No mortgage loan commitment letter was ever provided to the consumer/borrower.
8. No preliminary fees and obligations' schedule was ever provided to the consumer/borrower.
9. No legal opinion, as required by G.L. Chapter 93, Section 70, was provided to the consumer/borrower at the closing.
10. It appears that because the consumer/borrower was from Canada, he was treated unfairly by your companies and by Hal Bean and Mr. Costa, who refused, after being requested, to send documents, such as good faith estimate of settlement charges and interest terms, in advance of the closing.



**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 3  
December 17, 2004

As a result of the above-stated facts, I had Mr. Lockwood obtain a new mortgage from Washington Mutual under the terms that Countrywide Home Loans, Inc., your companies agreed to but failed to deliver and this mortgage loan was paid in full on or about 11/25/04.

Based on your companies' actions, I must consider if this is your standard operating procedure and if a class action is warranted. Demand is herewith made that you send me, in or within 30 days, a schedule of all home mortgage loans in the past six (6) years where no good faith estimate (prior to closing) was sent to consumers/borrowers.

Demand is herewith made for your companies to pay the following damages, restitution, rescission and charges as your services were of little or no value to the consumer/borrower:

a.	All closing costs, fees and expenses	\$ 5,176.70
b.	Four mortgage payments made	12,126.92
c.	Reasonable attorney fees	<u>900.00</u>

<b>TOTAL</b>	<b><u>\$18,203.62</u></b>
--------------	---------------------------

Pursuant to M.G.L. Chapter 93A, each of your companies has 30 days to respond to this demand letter, in writing, and to resolve this matter. After that date, if this matter has not been resolved, my client has requested me to file a complaint with Norfolk Superior Court and to seek treble damages, reasonable attorney's fees, interest and costs and to seek class action certification if you fail to send me the schedule of borrowers to whom good faith estimates were not provided prior to closing.

Trusting that you understand our position, I remain.

Very truly yours,



EVANS J. CARTER

EJC/aec

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140  
Telefax (508) 875-7728

December 23, 2004

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**AMENDED DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Sir/Madam:

This letter shall amend the demand letter sent to you dated December 17, 2004.

1. A request for an itemized accounting of the above-stated loan is hereby demanded.
2. Enclosed is a copy of a check, dated 12/13/04 in an amount of \$87.78, sent to my client with no explanation except for "escrow balance refund." Query, was there any escrow established? If so, what was collected and when and how much was paid out and to whom was it paid to?

Awaiting your written timely reply, I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec  
Enclosure



Countrywide Home Loans Servicing LP  
 PO Box 5012  
 Woodland Hills CA 91365-5012

BERIN LOCKWOOD  
 14 EVERETT ST  
 NORFOLK MA 02056

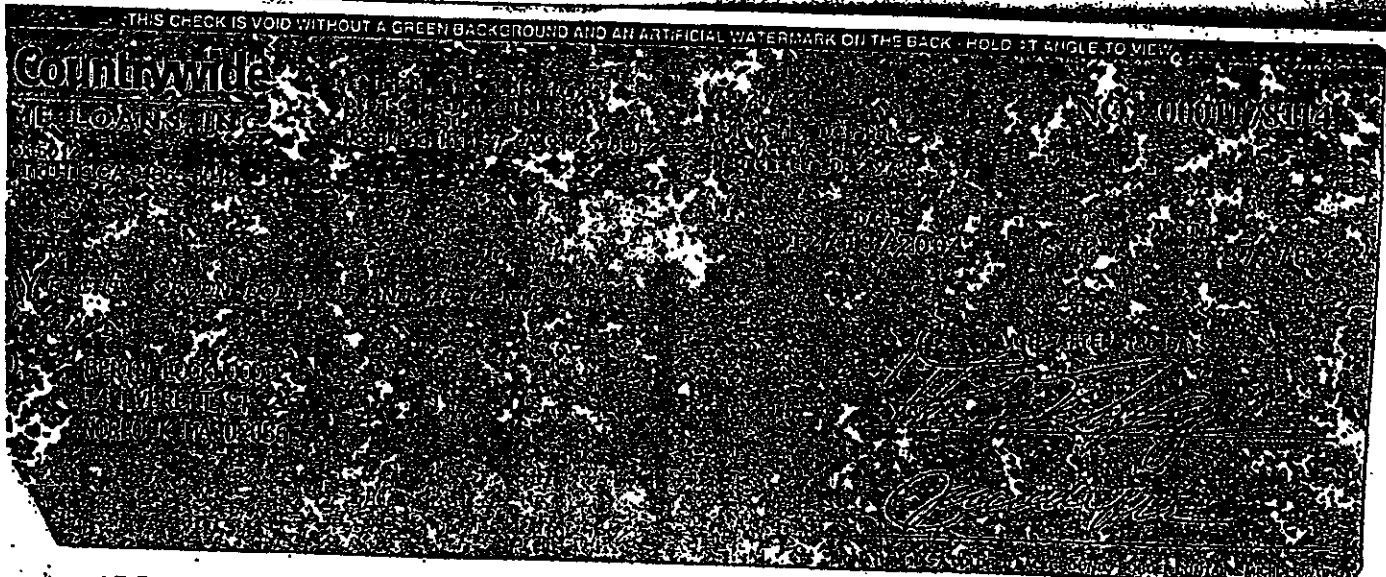
ck no: 1178114  
 e: 12/13/2004  
 ck amount: 87.78  
 Treasury id: 27627349  
 Comp. No: 681  
 Agency No: 14669  
 Escrow type: 10  
 Escrow desc: A/C#068114669 ESCROW BAL REFUND  
 Page: 1  
 CFCEPOA  
 -ESR

ck payee: BERIN LOCKWOOD

an no	Amount	Mortgagor	Reference
114669	87.78	BERIN LOCKWOOD	

TAL: 87.78

\*NUMBER OF ACCOUNTS: 1



0001178114 0311002090

38687899

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

January 10, 2005

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President

Countrywide Home Loans, Inc.

P.O. Box 10423

Van Nuys, CA 91410-0423

and

400 Countrywide Way

Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)

14 Everett Street, Norfolk, MA 02056 (Home/Residence)

8/27/04 Mortgage Loan of \$450,000

FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A

Dear Marianna:

This amendment to the demand letter shall confirm that you told me, on January 4, 2005, that the check for \$87.78, dated December 13, 2004, was not for an "escrow balance refund" but, rather, was for reimbursement of the excess amount after the loan had been paid off and that you made no offers of settlement.

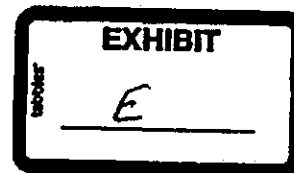
This concerns me because on the Settlement Sheet there was a charge, on line 809, collecting from my client \$79.00 for a "tax service fee to Countrywide Tax Service."

I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec



**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

January 17, 2005

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.

P.O. Box 10423

Van Nuys, CA 91410-0423

and

400 Countrywide Way

Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)

14 Everett Street, Norfolk, MA 02056 (Home/Residence)

8/27/04 Mortgage Loan of \$450,000

**FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Marianna:

Enclosed please find a copy of a 11/17/04 Payoff Demand Statement from Countrywide Home Loans Servicing LP.

Please send me:

1. A copy of the amortization schedule that your company used to determine said payoff amount and your worksheet;
2. Receipt of notice in advance to our client that \$30 would be charged as "statement fee" and worksheet as to the actual costs for sending a statement; and
3. Relationship between your company and Countrywide Home Loans Servicing LP and a schedule as to who the general and limited partners are.

Awaiting your response, I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec

EXHIBIT

F

**Countrywide Home Loans Servicing LP**

Payoff Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 (972) 669-6607  
 (972) 626-1115

3161

**PAYOFF DEMAND STATEMENT**

Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

Chl Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-817-327-2745

Escrow #

**Property Address:**

Berlin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114669-2  
 Case #

Principal Balance as of 11/01/2004  
 Interest from 11/01/2004 to 11/30/2004

\*Statement Fees

County Recording Fee

\$ 449,276.16

2,543.35

30.00

75.00

**Total Payoff Due on Loan No. 68114669****\$ 451,928.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest <sup>1</sup>	From	To	Interest Rate
87.7016	11/01/2004	11/30/2004	7.125 %

<sup>1</sup>Daily Interest Daily Interest = Principal Balance x Interest Rate + 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES  
 BEFORE NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or  
**DEPOSITED FUNDS ONLY.** They MUST reference the Countrywide loan number, property address and  
 owner's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check  
 sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or  
 return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following  
 business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berlin Lockwood  
 Loan Number: 68114669-2

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

call 1-800-669-5833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

Countrywide Home Loans Servicing LP  
Payoff Demand Statement Page 2

Account No.: 68114669-2  
Customer Name: Berin Lockwood

Payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Additional collection charges that may be applied if your account is past due.
- Late charges for delinquent payments received after: 12/18/2004.

**COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE  
WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor  
póngase en contacto con nuestro Departamento de Servicio al Cliente al 1-800-295-0026.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information  
through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's  
payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of  
this demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security  
Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement  
(maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to  
cancel our electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is  
complete may result in excess funds being drafted from your financial account. These funds will be returned with any  
additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*

**B**



(TO PLAINTIFF'S ATTORNEY: PLEASE CIRCLE TYPE OF ACTION INVOLVED:-  
TORT - MOTOR VEHICLE TORT - CONTRACT -  
EQUITABLE RELIEF - OTHER.)

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

SUPERIOR COURT  
CIVIL ACTION

NO. 05 00310

BERIN LOCKWOOD, Individually and on  
behalf of Class Members  
....., Plaintiff(s)

v.

FULL SPECTRUM LENDING, INC., and  
COUNTRYWIDE HOME LOANS, INC.  
....., Defendant(s)

SUMMONS

To the above-named Defendant: COUNTRYWIDE HOME LOANS, INC.

You are hereby summoned and required to serve upon Evans J. Carter, Esq.,  
P.O. Box 966  
plaintiff's attorney, whose address is Framingham, MA 01701-0966, an answer to the com-  
plaint which is herewith served upon you, within 20 days after service of this summons upon you,  
exclusive of the day of service. If you fail to do so, judgment by default will be taken against you  
for the relief demanded in the complaint. You are also required to file your answer to the com-  
plaint in the office of the Clerk of this court at Dedham either before service upon plaintiff's attorney  
or within a reasonable time thereafter.

Unless otherwise provided by Rule 13(a), your answer must state as a counterclaim  
any claim which you may have against the plaintiff which arises out of the transaction or occur-  
rence that is the subject matter of the plaintiff's claim or you will thereafter be barred from making  
such claim in any other action.

BARBARA J. ROUSE, Esquire

WITNESS, SUZANNE V. DELVECCHIO, Esquire, at Dedham, MA the 24th  
day of February, in the year of our Lord two thousand and five.

A true copy Attest

31861

Dorothy Sheriff Suffolk County

Kathleen D. Denny Clerk

NOTES:

1. This summons is issued pursuant to Rule 4 of the Massachusetts Rules of Civil Procedure.
2. When more than one defendant is involved, the names of all defendants should appear in the caption.  
If a separate summons is used for each defendant, each should be addressed to the particular defendant.

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, SS

SUPERIOR COURT DEPARTMENT  
OF THE TRIAL COURT  
CIVIL ACTION NO. 05- 310 C

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,  
Plaintiff

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,  
Defendants

**COMPLAINT, JURY CLAIM AND  
REQUEST FOR CLASS CERTIFICATION**

**I. Introduction and Overview of Action**

1. Plaintiff brings this action on behalf of himself and on behalf of all others similarly situated, specifically, consumers who have or have had residential mortgage loans with either or both of the defendants. This complaint seeks rescission and restitution, multiple damages and attorney's fees pursuant to G.L. Chapter 93A, Section 9, and injunctive relief as the defendants have violated 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Services), 15 USC § 160/et seq. (TILA), 12 CFR Part 26 (Regulation X), G.L. Chapter 140D (Mass. Consumer Credit Cost Disclosure), and G.L. Chapter 93, § 70 (Certification). The plaintiff is seeking in this complaint to certify a nationwide class action. Massachusetts has jurisdiction over this action as the defendants do business here and filed numerous complaints in the Trial Court. The Superior Court has exclusive jurisdiction because a request for a class action under G.L. Chapter 93A, Section 9 is being prayed for and the District Court Department has no jurisdiction.

**II. Parties**

2. The plaintiff, Berin Lockwood, resides at 14 Everett Street, Norfolk, Norfolk County, Massachusetts, and he formerly resided in Ontario, Canada.
3. The defendant, Full Spectrum Lending, Inc., is a corporation with its executive offices in Pasadena, California, and a Massachusetts office at 50 Braintree Hill Road, Braintree, Norfolk County, Massachusetts, and it is owned or is a subsidiary of Countrywide Financing Corporation.
4. The Defendant, Countrywide Home Loans, Inc., is a corporation with its offices in Sims Valley, California and it is owned by or is a subsidiary of Countrywide Financial Corporation. Both Full Spectrum Lending, Inc. and Countrywide Home Loans, Inc. are hereinafter referred to, collectively, as the "Lender."

5. The plaintiff was living in Canada with his wife and entered into an agreement to purchase a home on or about July 22, 2004 located at 14 Everett Street, Norfolk, Massachusetts, and he spoke with Harold Bean of the Lender in order to obtain mortgage financing.
6. Mr. Bean told the plaintiff that he could get a 5.25% mortgage loan in the principal amount of \$450,000 for him and that no rate lock-in agreement or documentation would be needed but later, Mr. Bean advised that the best he could do would be 6%.
7. No good faith estimate of the settlement charges were provided to the plaintiff, as required by law, nor was any loan commitment letter sent to the plaintiff.
8. At the real estate closing, which took place on or about August 27, 2004, a classic bait and switch practice was completed.
9. The mortgage loan product given to the plaintiff did not have a rate of interest at 6% fixed interest for 30 years but, rather, was a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The Truth-in-Lending Disclosure Statement at the closing stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
10. The plaintiff literally had no choice but to close as he had made firm arrangements to move and he would have lost his home deposit in an amount of \$53,000.
11. In addition, the settlement statement provided for improper and/or excess fees and unreasonable charges were collected, such as, but not limited to:
  - a. \$535 Processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners' title insurance that was not requested (line 1110);
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300, and both were collected; and
  - d. Tax services charge of \$79 (line 809) but the loan had no real estate tax escrow account and, in any event, should have refunded on some basis because it was not utilized.

A copy of the Settlement Statement is annexed hereto and marked as Exhibit A.

12. Neither at the closing nor to date, was a legal opinion, as required by G.L. Chapter 93, Section 70, provided to the plaintiff.
13. As soon as reasonably practicable, the plaintiff applied for a new mortgage loan, which he obtained, and he had the mortgage loan refinanced and the lender paid off by on or about November 29, 2004 so the mortgage loan to the Lender was only outstanding for three (3) months. A copy of the lender's payoff letter of November 17, 2004 is annexed hereto and

marked as Exhibit B.

14. On or about December 13, 2004, after the \$450,000 mortgage loan had been paid in full, the Lender sent a check for \$87.78 marked "escrow balance refund," but no real estate tax escrow or any other type of escrow account was disclosed to the plaintiff.
15. On or about December 17, 2004, the plaintiff caused a G.L. Chapter 93A demand letter to be sent to the Lender, a copy of which is annexed hereto and marked as Exhibit C.
16. By the above-stated actions, the plaintiff has incurred damages and costs as follows:

1. Needless costs, fees and expenses to:

- i) The Lender ..... \$ 4,876.70
- ii) Mortgage payments made ..... 12,126.92
- iii) Attorney's fees and costs (to date) ..... 9,000.00

Total \$16,003.62

### COUNT I

#### *(Breach of Contract)*

The plaintiff incorporates by reference and realleges paragraphs 1 through 16, inclusive, as if fully set forth herein.

17. By the above-stated actions, the Lender has breached the agreements with the plaintiff whereby the plaintiff has been, as well as the other class members, caused to incur substantial money damages.

### COUNT II

#### *(Breach of Covenant of Good Faith and Fair Dealing)*

The plaintiff incorporates by reference and realleges paragraphs 1 through 17, inclusive, as if fully set forth herein.

18. The Lender owed to the plaintiff and the class members a covenant of good faith and fair dealing and by the above-stated actions, the Lender breached the same which caused damages to the plaintiff and the other class members.

**COUNT III**

**(Disgorgement of Wrongful Profits and for an Accounting)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 18 inclusive, as if fully set forth herein.

19. The Lender has engaged in unfair mortgage practices.
20. The Lender has collected monies that were not due and owing under applicable contract law because the contract or other applicable law does not permit them to collect such unreasonable fees and charges.
21. This claim is for disgorgement of the unjust enrichment to the Lender.
22. The plaintiff and the other class members have suffered monetary losses by virtue of the Lender's conduct and they request a full accounting of all revenues (and interest thereon) and costs incurred as well as the disgorgement of all profits earned from the said funds.

**COUNT IV**

**(Unfair Trade Practices, G.L. Chapter 93A)**

The plaintiff incorporates by reference and realleges paragraphs 1 through 22 inclusive, as if fully set forth herein.

23. By the above-stated actions, the Lender has committed unfair trade practices in violation of General Laws, Chapter 93A, Section 9, as well as violating numerous rules and regulations and statutes.
24. The above-stated actions were done knowingly, willfully, intentionally and/or recklessly by the Lender.
25. The Lender conducts trade or commerce in Massachusetts so as to come within the purview of G.L. Chapter 93A.
26. On or about December 17, 2004, the plaintiff caused a so-called G.L. Chapter 93A demand letter to be served on the Lender (Exhibit C).
27. On or about December 23, 2004, January 10, 2005 and January 17, 2005, amendments to the demand letter were caused to be served on the Lender, a copy of each of which is annexed hereto and marked as Exhibit D, E and F respectively.

28. As a direct result of the Lender's unfair trade practices, as above-stated, the plaintiff and the other class members have incurred monetary damages plus interest, costs and reasonable attorney's fees.

### COUNT V

#### (Class Action Certification)

The plaintiff incorporates by reference and reallege paragraphs 1 through 28 inclusive, as if fully set forth herein.

29. The plaintiff brings this action as a class action pursuant to Rule 23 of the Massachusetts Rules of Civil Procedure on behalf of all persons and entities who have or had mortgage loans owned or serviced by the Lender (collectively "Class" or "Class Members").
30. Based on conversations with some mortgage brokers, it is estimated that there are probably in excess of 5,000 Class Members in Massachusetts alone many more Class Members throughout the United States.
31. The plaintiff's claims are typical of the claims of the Members of the Class. The plaintiff and all members of the Class sustained damages as a result of the wrongful conduct for which the Lender is responsible as described in this complaint.
32. The plaintiff will fairly and adequately protect the interests of the Members of the Class and he has retained counsel competent and experienced in class action litigation.
33. A class action is superior to other available methods for the fair and effect adjudication of this controversy. The damages suffered by many individual Class Members are relatively small, albeit significant, and many, especially those who closed down, do not have the financial ability to proceed individually. Thus, the expense and burden of individual litigation makes it impractical for many Class members individually to seek redress for the wrongful conduct alleged in this action.
34. Common questions of law and fact exist as to all Members of the Class and predominate over any questions solely affecting individual Members of the Class. Among the questions of law and fact common to the Class are:
- a. Whether the Lender breached its obligations and duties owed with regard to home mortgage loan accounts;
  - b. Whether the Lender has breached state and federal statutes and regulations, such as 21 USC §§ 2601-17 (RESPA), Regulation X, 24 CFR Part 3500 (Mortgage Servicing), 15 USC §§ 7601, et seq., 12 CFR Part 26 (Regulation XI, G.L. Chapter 140D (MCCCD) and G.L. Chapter 93, Section 7D (Title Certification).

- c. Whether the Lender has committed unfair trade practices in Massachusetts and in other states which now all have so-called "baby F.T.C." unfair trade practices statutes;
  - d. Whether the Lender has unreasonably imposed and collected service charges for services that were not performed or only partially performed; and
  - e. Whether the Lender wrongfully assesses and collects unilaterally imposed unfair or unreasonable fees and charges;
  - f. Whether the Lender fails to timely provide, after a qualified written request has been made of it, written responses that address each of the issues raised in said request.
35. The plaintiff knows of no difficulty which will be encountered in the management of this litigation which would preclude its maintenance as a Class Action.
  36. Certifying this as a class action would resolve these issues for all potential plaintiffs without the necessity of filing individual lawsuits. Additionally, class certification in this matter would not impose any significant burden upon the Court.
  37. In this case, the certification of the class is appropriate where the it would not complicate or delay disposition of the case and the Lender would suffer no prejudice as a result of certification and where certification would assure the class members that the Lender would not evade its responsibility in implementing any Court orders.
  38. The names and addresses of all Class Members are available from the Lender and notice will be provided to Class Members via first-class mail, using techniques and a notice approved by this court.

#### **PRAYERS FOR RELIEF**


WHEREFORE, plaintiff, on his own behalf and on the behalf of others similarly situated (Class Members) prays for judgment as follows:

1. Declare this action to be a Class Action.
2. Award to the plaintiff and to all Class Members compensatory damages in an amount which may be proven at trial and actual and statutory damages, together with prejudgment interest at the maximum rate allowed by law.
3. Award to the plaintiff and to all Class Members treble damages as well as restitution based on unjust enrichment and disgorgement of funds unjustly obtained.
4. Award to the plaintiff his costs and expenses incurred in this action, including reasonable attorney, accountant and expert fees.

5. Award to plaintiff and to all Class Members such other and further relief as this court may deem meet, just and proper.

**THE PLAINTIFF CLAIMS A TRIAL BY JURY ON ALL ISSUES SO TRIABLE.**

BERIN LOCKWOOD, Plaintiff  
By his Attorney



---

Evans J. Carter, Esq. (BBO # 076560)  
Hargraves, Karb, Wilcox & Galvani, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966  
(508) 620-0140

Dated: February 18, 2005



**A Settlement Statement****U.S. Department of Housing  
And Urban Development**

HUD-1 (3/98) OMB No. 2502-0265

**B. Type of Loan**

☐ FHA 2. ☐ FmHA 3. ☒ CONV. UNINS.  
☐ VA 5. ☐ CONV. INS.

6. File Number:

7. Loan Number:

8. Mortgage Ins. Case No.:

68116669

C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown.  
 Items marked "p.o.c." were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

D. Name and Address of Borrowers: **Berin Lockwood**

125 Pugsley Avenue

Apt. 516

Richmond Hill

Ont.

F. Name and Address of Lender: **Pull Spectrum Lending**

500 Edgewater Park, Suite 568

Wakefield, MA 01880

E. Name and Address of Sellers: **James W. Sewell**

14 Everett Street

Norfolk

**Carolyn A. Sewell**

MA 02056

H. Settlement Agent:

Gary P. Kinsella

22 Summer Street

Boston, MA 02125

G. Property Location:

14 Everett Street

Norfolk

MA

02056

I. Settlement Date:

08/27/2004

Place of Settlement:

Gary P. Kinsella Atty. at Law

22 Summer Street Dorchester, MA 02125

**J. Summary of Borrower's Transaction****K. Summary of Seller's Transaction****100. Gross Amount Due From Borrower****400. Gross Amount Due To Seller**

101. Contract sales price	530,000.00	401. Contract sales price	530,000.00
102. Personal property		402. Personal property	
103. Settlement charges to borrower (line 1400)	4,876.70	403.	
104. Appraisal Fee to Appraisals	300.00	404.	
105.		405.	

**Adjustments for items paid by seller in advance****Adjustments for items paid by seller in advance**

106. City/town taxes 08/27/2004 to 09/30/2004	541.51	406. City/town taxes 08/27/2004 to 09/30/2004	541.51
107. County taxes to		407. County taxes to	
108. Assessments to		408. Assessments to	
109.		409.	
110.		410.	
111.		411.	
112.		412.	

**120. Gross Amount Due From Borrower**

\$535,718.21

**420. Gross Amount Due To Seller**

\$530,541.51

**200. Amounts Paid By Or In Behalf Of Borrower****500. Reductions In Amount Due To Seller**

201. Deposit or earnest money	52,000.00	501. Excess deposit (see instructions)	25,500.00
202. Principal amount of new loan(s)	450,000.00	502. Settlement charges to seller (line 1400)	29,343.80
203. Existing loan(s) taken subject to		503. Existing loan(s) taken subject to	
204.		504. Payoff 1 Countrywide Home Loans	109,737.65
205.		505. Payoff 2	
206.		506.	
207.		507.	
208.		508.	
209.		509.	

**Adjustments for items unpaid by seller****Adjustments for items unpaid by seller**

210. City/town taxes to		510. City/town taxes to	
211. County taxes to		511. County taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517.	
218.		518.	
219.		519.	

**220. Total Paid By/For Borrower**

\$502,000.00

**520. Total Reductions Amount Due Seller**

\$164,581.45

**300. Cash At Settlement From/To Borrower****600. Cash At Settlement To/From Seller**

301. Gross amount due from borrower (line 120)	\$535,718.21	601. Gross amount due to seller (line 420)	\$530,541.51
302. Less amount paid by/for borrower (line 220)	(\$502,000.00)	602. Less reductions in amount due seller (line 520)	(\$164,581.4)
303. CASH <input checked="" type="checkbox"/> FROM <input type="checkbox"/> TO BORROWER:	\$33,718.21	603. CASH <input checked="" type="checkbox"/> TO <input type="checkbox"/> FROM SELLER:	\$365,960.06

Buyer's Initials

BL

**EXHIBIT**

Exhibit

A

Seller's Initials

JWS CAS

1030

## Settlement Statement Page 2

L. Settlement Charges			Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
700. Total Sales/Broker's Commission based on price	530,000.00 @ 5.0000 % = 26,500.00			
Division of Commission (line 700) as follows:				
701. 15,900.00	to Re/Max Landmark			
702. 10,600.00	to Re/Max Executive			26,500.00
703. Commission paid at Settlement				
704.				
800. Items Payable in Connection With Loan				
801. Loan Origination Fee	%			
802. Loan Discount	%		75.00	
803. Appraisal Fee to Appraisals Unlimited			35.00	
804. Credit Report to LandSafe				
805. Lender's Inspection Fee				
806. Mortgage Insurance Application Fee				
807. Assumption Fee			25.00	
808. Flood Certification to Landsafe Flood			79.00	
809. Tax Service Fee to Countrywide Tax Service			535.00	
810. Processing Fee to Pull Spectrum Lending				
811.				
812.				
813.				
814.				
815.				
900. Items Required By Lender To Be Paid In Advance			439.20	
901. Interest from	08/27/2004 to 08/31/2004 @ 87.84 / day			
902. Mortgage Insurance Premium for	mo. to			
903. Hazard Insurance Premium for	yrs. to			
904.	yrs. to			
1000. Reserves Deposited With Lender				
1001. Hazard Insurance	months @ per month			
1002. Mortgage Insurance	months @ per month			
1003. City property taxes	months @ 484.44 per month			
1004.	months @ per month			
1005.	months @ per month			
1006.	months @ per month			
1007.	months @ per month			
1008. Aggregate Adjustment				
1100. Title Charges			695.00	
1101. Settlement or closing fee to	Gary F. Kinsella, Esquire		150.00	
1102. Abstract or title search to	Quirk Associates		75.00	
1103. Title examination to	Gary F. Kinsella, Esq.			
1104. Title insurance binder to				
1105. Document preparation to				
1106. Notary fees to				
1107. Attorney's fees to				
(Includes above Item Numbers: )			2,140.50	
1108. Title Insurance to	First American Title Insurance Company			
(Includes above Item Numbers: )				
1109. Lender's coverage	450,000.00 Loan Premium: \$1,311.75			
1110. Owner's coverage	530,000.00 Owner's Premium: \$628.75		50.00	
1111. Run-down and Record to Quirk Associates				
1112.				
1113. Title Agent Commission \$1,498.35	70%			
1200. Government Recording and Transfer Charges			102.00	152.00
1201. Recording fees: Deed 135.00 ; Mortgage 175.00 ; Releases 152.00				
1202. City/county tax stamps: Deed ; Mortgage			0.00	2,416.80
1203. State tax/stamps: Deed 2,416.80 ; Mortgage			91.00	
1204. Obtain and Record MLC to Town of Norfolk/Norfolk Deeds				
1300. Additional Settlement Charges			150.00	
1301. Survey to	Worthstar Co.			
1302. Pest inspection to			35.00	25.00
1303. Overnight Delivery Pass to FedEx				125.00
1304. Mortgage Discharge Fee to Gary F. Kinsella/ATG				125.00
1305. Drafting of Deed to Gary F. Kinsella, Esq.				
			\$4,876.70	\$29,343.60

1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a copy of the HUD-1 Settlement Statement (pages 1 and 2).

Borrowers

*Berlin Lockwood*  
 Berlin Lockwood

Sellers

*James W. Sewell*  
 James W. Sewell

*Carolyn A. Sewell*  
 Carolyn A. Sewell

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused or will cause the funds to be disbursed in accordance with this statement.

Settlement Agent

*Gary F. Kinsella*  
 Gary F. Kinsella, Esquire

Date 08/27/2004

WARNING: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment.

**Countrywide Home Loans Servicing LP**

Payoff Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 972-6607  
 972-628-1115

**PAYOFF DEMAND STATEMENT**  
 Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

CHI Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-617-327-2745

Escrow #

**Property Address:**

Berlin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114689-2  
 Case #

Principal Balance as of 11/01/2004  
 Interest from 11/01/2004 to 11/30/2004  
 \*Statement Fees  
 County Recording Fee

\$ 449,278.16  
 2,543.35  
 30.00  
 75.00

**Total Payoff Due on Loan No. 68114689** \$ **451,926.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest	From	To	Interest Rate
87.7018	11/01/2004	11/30/2004	7.125 %

Daily Interest Daily Interest = Principal Balance x Interest Rate + 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES BEFORE NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or CREDIT FUNDS ONLY. They MUST reference the Countrywide loan number, property address and borrower's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check and be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or return of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berlin Lockwood  
 Loan Number: 68114689-2

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

call 1-800-669-5833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

**EXHIBIT****B**

5316 CF 1020 4/9/2004

Countrywide Home Loans Servicing LP  
Payoff Demand Statement Page 2

Account No.: 68114669-2  
Customer Name: Berin Lockwood

Payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Potential collection charges that may be applied if your account is past due.
- Service charges for delinquent payments received after: 12/18/2004.

**COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE  
WILL AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor  
póngase en contacto con nuestro Departamento de Servicio al Cliente al 1-800-295-0026.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information  
through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's  
payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of  
the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security  
Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement  
with a maximum of \$90.00.

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to  
cancel your electronic draft service before the loan is paid off. Failure to cancel the service after a payoff is  
complete may result in excess funds being drafted from your financial account. These funds will be returned with any  
additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

December 17, 2004

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Gregory Allen Lumsden, President  
FULL SPECTRUM LENDING, INC.

35 N. Lake Avenue  
Pasadena, CA 91101

and

4500 Park Granada  
Calabasas, CA 91302

Branch Manager  
FULL SPECTRUM LENDING, INC.

50 Braintree Hill Avenue  
Braintree, MA 02184

Branch Manager  
FULL SPECTRUM LENDING, INC.  
500 Edgewater Drive, Suite 568  
Wakefield, MA 01880

President  
COUNTRYWIDE HOME LOANS, INC.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Gentlemen/Ladies:

I have been retained by the above-named Berin Lockwood to review the above-stated mortgage loan documentation. I have opined that your respective companies have committed unfair trade practices in violation of M.G.L. Chapter 93A as well as violations of, among other laws:

- a. Federal Consumer Credit Cost Disclosure Act (TILA) 15 USC §§ 1601 et seq. And Regulation X (12 C.F.R., part 226);
- b. Massachusetts Consumer Credit Cost Disclosure, M.G.L. Chapter 140D;
- c. Federal Real Estate Settlement Procedures Act ("RESPA") 12 USC §§ 2601-17 and Regulation X (24 C.F.R. part 3500); and
- d. M.G.L. Chapter 93, Section 70 (Certification of Title to Mortgaged Premises).



**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 2  
December 17, 2004

To-wit:

1. No good faith estimate of settlement charges prior to the closing was provided to Mr. Lockwood, as required by law.
2. Mr. Lockwood was informed that Countrywide Home Loans, Inc., and not Full Spectrum Lending, Inc., was the lender as Full Spectrum Lending, Inc. is a sub-prime, predatory lender who was unknown to my client until the closing; a classic, outlawed bait and switch technique.
3. The rate of interest was to be 6% fixed interest for 30 years and not a strange/hybrid 8.5% margin with a 7.125% floor and a 14.125% ceiling ARM product. The TILA Disclosure Statement, at the closing, stated APR of 9.385% with increasingly larger mortgage payments after 36 months.
4. Dave L. Droza of Countrywide Home Loans, Inc., prepared the mortgage loan documents for Full Spectrum Lending, Inc., which established Countrywide Home Loans, Inc., control of the closing, terms, etc.
5. The settlement statement shows that improper and/or excessive fees or charges were collected, such as, but not limited to:
  - a. \$535 processing fee to Full Spectrum Lending (line 810);
  - b. \$838.75 for owners to be insured that was not requested (line 1110); and
  - c. The appraisal fee to Appraisals Unlimited is stated to be \$75 (line 803) but at line 104, it is stated to be \$300 and both were collected.
6. The Affiliated Business Agreement Disclosure Statement fails to show the arrangement (true state of the ownership, control and drafting of documents) by Countrywide Home Loans, Inc.
7. No mortgage loan commitment letter was ever provided to the consumer/borrower.
8. No preliminary fees and obligations' schedule was ever provided to the consumer/borrower.
9. No legal opinion, as required by G.L. Chapter 93, Section 70, was provided to the consumer/borrower at the closing.
10. It appears that because the consumer/borrower was from Canada, he was treated unfairly by your companies and by Hal Bean and Mr. Costa, who refused, after being requested, to send documents, such as good faith estimate of settlement charges and interest terms, in advance of the closing.



**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Full Spectrum Lending, Inc.  
Countrywide Home Loans, Inc.  
Page No. 3  
December 17, 2004

As a result of the above-stated facts, I had Mr. Lockwood obtain a new mortgage from Washington Mutual under the terms that Countrywide Home Loans, Inc., your companies agreed to but failed to deliver and this mortgage loan was paid in full on or about 11/25/04.

Based on your companies' actions, I must consider if this is your standard operating procedure and if a class action is warranted. Demand is herewith made that you send me, in or within 30 days, a schedule of all home mortgage loans in the past six (6) years where no good faith estimate (prior to closing) was sent to consumers/borrowers.

Demand is herewith made for your companies to pay the following damages, restitution, rescission and charges as your services were of little or no value to the consumer/borrower:

a.	All closing costs, fees and expenses	\$ 5,176.70
b.	Four mortgage payments made	12,126.92
c.	Reasonable attorney fees	<u>900.00</u>

<b>TOTAL</b>	<b><u>\$18,203.62</u></b>
--------------	---------------------------

Pursuant to M.G.L. Chapter 93A, each of your companies has 30 days to respond to this demand letter, in writing, and to resolve this matter. After that date, if this matter has not been resolved, my client has requested me to file a complaint with Norfolk Superior Court and to seek treble damages, reasonable attorney's fees, interest and costs and to seek class action certification if you fail to send me the schedule of borrowers to whom good faith estimates were not provided prior to closing.

Trusting that you understand our position, I remain

Very truly yours,



EVANS J. CARTER

EJC/aec

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140  
Telefax (508) 875-7728

December 23, 2004

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**AMENDED DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Sir/Madam:

This letter shall amend the demand letter sent to you dated December 17, 2004.

1. A request for an itemized accounting of the above-stated loan is hereby demanded.
2. Enclosed is a copy of a check, dated 12/13/04 in an amount of \$87.78, sent to my client with no explanation except for "escrow balance refund." Query, was there any escrow established? If so, what was collected and when and how much was paid out and to whom was it paid to?

Awaiting your written timely reply, I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec  
Enclosure





Countrywide Home Loans Servicing LP  
 PO Box 5012  
 Woodland Hills CA 91365-5012

BERIN LOCKWOOD  
 14 EVERETT ST  
 NORFOLK MA 02056

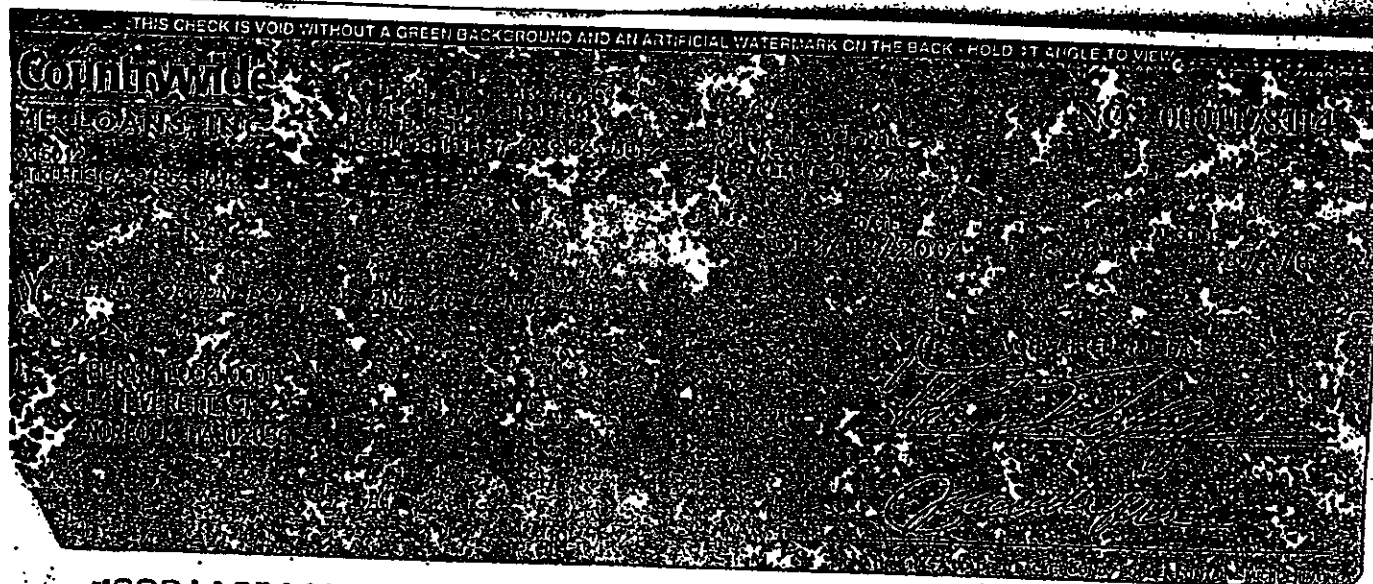
ck no: 1178114  
 e: 12/13/2004  
 ck amount: 87.78  
 Treasury id: 27627349  
 Comp. No: 681  
 Agency No: 14669  
 Escrow type: 10  
 Escrow desc: A/C#068114669 ESCROW BAL REFUND  
 Page: 1  
 CFC8PCA  
 -ESR

ck payee: BERIN LOCKWOOD

an no	Amount	Mortgagor	Reference
114669	87.78	BERIN LOCKWOOD	

TAL: 87.78

\*NUMBER OF ACCOUNTS: 1



0001178114 031100209

38687899

**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

550 Cochituate Road

P.O. Box 966

Framingham, MA 01701-0966

Evans J. Carter, P.C.

Telephone (508) 620-0140

Telefax (508) 875-7728

January 10, 2005

**CERTIFIED MAIL**

**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President

Countrywide Home Loans, Inc.

P.O. Box 10423

Van Nuys, CA 91410-0423

and

400 Countrywide Way

Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)

14 Everett Street, Norfolk, MA 02056 (Home/Residence)

8/27/04 Mortgage Loan of \$450,000

**FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Marianna:

This amendment to the demand letter shall confirm that you told me, on January 4, 2005, that the check for \$87.78, dated December 13, 2004, was not for an "escrow balance refund" but, rather, was for reimbursement of the excess amount after the loan had been paid off and that you made no offers of settlement.

This concerns me because on the Settlement Sheet there was a charge, on line 809, collecting from my client \$79.00 for a "tax service fee to Countrywide Tax Service."

I remain

Very truly yours,

  
\_\_\_\_\_  
EVANS J. CARTER

EJC/aec



**HARGRAVES, KARB, WILCOX & GALVANI, LLP**

Attorneys at Law

Evans J. Carter, P.C.

550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

Telephone (508) 610-0140  
Telefax (508) 875-7723

January 17, 2005

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Marianna, Assistant to the President  
Countrywide Home Loans, Inc.  
P.O. Box 10423  
Van Nuys, CA 91410-0423  
and  
400 Countrywide Way  
Sims Valley, CA 93065

Re: Berin Lockwood (Borrower/Consumer)  
14 Everett Street, Norfolk, MA 02056 (Home/Residence)  
8/27/04 Mortgage Loan of \$450,000  
**FURTHER AMENDMENT TO DEMAND LETTER UNDER M.G.L. CHAPTER 93A**

Dear Marianna:

Enclosed please find a copy of a 11/17/04 Payoff Demand Statement from Countrywide Home Loans Servicing LP.

Please send me:

1. A copy of the amortization schedule that your company used to determine said payoff amount and your worksheet;
2. Receipt of notice in advance to our client that \$30 would be charged as "statement fee" and worksheet as to the actual costs for sending a statement; and
3. Relationship between your company and Countrywide Home Loans Servicing LP and a schedule as to who the general and limited partners are.

Awaiting your response, I remain

Very truly yours,

  
EVANS J. CARTER

EJC/aec



**Countrywide Home Loans Servicing LP**

Payoff Department  
 7105 Corporate Drive  
 Plano, TX 75024-4100  
 972-6607  
 972-626-1115

**PAYOFF DEMAND STATEMENT**

Statement Date: November 17, 2004  
 Statement Void After: November 30, 2004

(B&amp;C C-ARMS)

**Mailed to:**

CHI Automated Payoff  
 Faxed Demand  
 X  
 X 99999-9999

Faxed to: 1-617-327-2745

Escrow #

**Property Address:**

Berlin Lockwood  
 14 Everett Street  
 Norfolk, MA 02056

Payoff Loan No.: 68114669-2  
 Case #

Principal Balance as of 11/01/2004  
 Interest from 11/01/2004 to 11/30/2004  
 \*Statement Fees  
 County Recording Fee

\$ 449,276.16  
 2,543.35  
 30.00  
 75.00

**Total Payoff Due on Loan No. 68114669 \$ 451,928.51**

\*Please refer to important information about this fee on the next page of this statement.

Daily Interest	From	To	Interest Rate
87.7016	11/01/2004	11/30/2004	7.125 %

Daily Interest Daily Interest = Principal Balance x Interest Rate + 365.

**UNPAID DEMAND STATEMENTS ARE SENT AUTOMATICALLY IF THE TOTAL AMOUNT DUE INCREASES BEFORE NOVEMBER 30, 2004.**

Funds must be made payable to Countrywide Home Loans Servicing LP and will be accepted by WIRE or CASH FUNDS ONLY. They MUST reference the Countrywide loan number, property address and borrower's name in the OBI (Originator Beneficiary Information) field of the wire transfer or on the face of the check. Funds must be sent per the instructions below. Failure to do so may cause delays resulting in additional interest due or loss of the funds to the remitter. Funds received after 3:00 p.m. Pacific Time may be posted the following business day.

**Wire funds to:**

Beneficiary Bank: Bank of America  
 ABA Routing #: 121 000 358  
 Beneficiary Acct Name: MRC  
 Beneficiary Acct Number: 12356-19173  
 Reference: Berlin Lockwood  
 Loan Number: 68114669-2

**Mail funds to:**

Attention: Payoff Department, Mail Stop PTX348  
 Countrywide Home Loans Servicing LP  
 7105 Corporate Drive  
 Plano, TX 75024-4100

call 1-800-669-5833 for updated payoff information within 24 hours of submitting funds.

*This communication is from a debt collector*

*See page 2 for important information*

Countrywide Home Loans Servicing LP  
Payoff Demand Statement Page 2

Account No.: 68114669-2  
Customer Name: Berin Lockwood

Payoff amount is subject to change for various reasons, including but not limited to the following:

- You have sent in a payment that we have not yet posted. (DO NOT place a stop payment on any check.)
- Your payment has been returned to us by your financial institution for any reason.
- A scheduled payment(s) is disbursed from your escrow account for taxes, insurance, or other escrowed item.
- Potential collection charges that may be applied if your account is past due.
- Fee charges for delinquent payments received after: 12/18/2004.

**COUNTRYWIDE RECEIVES FUNDS GREATER THEN WHAT IS REQUIRED TO PAY OFF YOUR LOAN, WE  
AUTOMATICALLY PROCESS THE OVERAGE WITHIN 30 DAYS OF PAYOFF.**

Si necesita la información incluida en la Demanda de Liquidación traducida al Español, por favor  
pídesela con nuestro Departamento de Servicio al Cliente al 1-800-295-0026.

You have been informed prior to ordering this statement, Countrywide provides free verbal payoff information  
through an automated telephone system at 1-800-669-5833. Instead, you have elected to purchase Countrywide's  
payoff demand service, for a charge of \$30.00, which includes free automatic updates through the expiration of  
the demand. The payment of this fee is NOT a condition for the release or reconveyance of the Security  
Instrument. If you request further written payoffs, they will be subject to an additional charge of \$30.00 per statement  
(maximum of \$90.00).

If you are planning to pay off your loan and the draft date is near your payoff date, you must contact Countrywide to  
cancel your electronic draft service cancelled before the loan is paid off. Failure to cancel the service after a payoff is  
complete may result in excess funds being drafted from your financial account. These funds will be returned with any  
additional funds held in your account after the payoff is complete.

*This communication is from a debt collector*

C

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MASSACHUSETTS

BERIN LOCKWOOD, Individually  
and on behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC.  
and COUNTRYWIDE HOME LOANS,  
LOANS, INC.

Defendants.

Civil Action No. \_\_\_\_\_

**NOTICE OF REMOVAL TO  
ALL ADVERSE PARTIES**

TO: Evans J. Carter, P.C.  
HARGRAVES, KARB, WILCOX  
& GALVANI, LLP  
550 Cochituate Road  
P.O. Box 966  
Framingham, MA 01701-0966

PLEASE TAKE NOTICE, that on April 1, 2005, defendants Full Spectrum Lending, Inc. (n/k/a Full Spectrum Lending, a division of Countrywide Home Loans, Inc.) and Countrywide Home Loans, Inc. filed a Notice of Removal of this action to the United States District Court for the District of Massachusetts. A true and correct copy of the Notice of Removal is annexed hereto.

This Notice is served upon you as counsel of record for plaintiff Berin Lockwood in compliance with 28 U.S.C. § 1446.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,



Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000

Brooks R. Brown (BBO# 634144)  
GOODWIN PROCTER LLP  
Exchange Place  
53 State Street  
Boston, MA 02109  
(617) 570-1000

Dated: April \_\_, 2005

LIBA/1522234.1



D

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss.

SUPERIOR COURT DEPT.  
OF THE TRIAL COURT

BERIN LOCKWOOD, Individually and on  
behalf of Class Members,

Plaintiff,

v.

FULL SPECTRUM LENDING, INC. and  
COUNTRYWIDE HOME LOANS, INC.,

Defendants.

Civil Action No. 05-00310

**NOTICE OF FILING OF NOTICE OF REMOVAL**

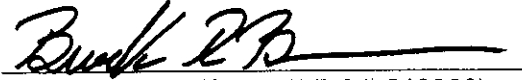
PLEASE TAKE NOTICE THAT a Notice of Removal of this action was filed in the United States District Court for the District of Massachusetts on April 1, 2005. A copy of said Notice of Removal is attached to this Notice, and is served and filed herewith.

PLEASE TAKE FURTHER NOTICE THAT, pursuant to 28 U.S.C. § 1446(d), this notice is hereby provided to the Trial Court of the Commonwealth of Massachusetts, Superior Court Department for Norfolk County, to effect removal, and the Norfolk County Superior Court shall proceed no further unless and until the case is remanded.

Respectfully submitted,

FULL SPECTRUM LENDING, INC. (n/k/a  
Full Spectrum Lending, a division of  
Countrywide Home Loans, Inc.) and  
COUNTRYWIDE HOME LOANS, INC.

By their attorneys,

A handwritten signature in black ink, appearing to read "Tom Hefferon", followed by a horizontal line.

Thomas M. Hefferon (BBO# 548289)  
GOODWIN PROCTER LLP  
901 New York Avenue, N.W.  
Washington, DC 20001  
(202) 346-4000

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Dated: April \_\_, 2005

LIBA/1522236.1